



Daily Report

East Asia

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22 April 1993

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G-7 To Discuss Reform Aid for Former Soviet States

*OW2104122293 Tokyo KYODO in English 1154 GMT
21 Apr 93*

[Text] Tokyo, April 21 KYODO—Ministers of economy, industry and trade from the Group of Seven (G-7) nations and eight former Soviet bloc states will discuss microeconomic issues to help the latter with their market reforms at a two-day conference in Tokyo starting Saturday [24 April], Trade Ministry officials said Wednesday. The ministers from the G-7 major industrial nations and from Russia, Ukraine, Belarus, Kazakhstan, Poland, Hungary, and the Czech and Slovak Republics will seek specific ways to promote economic reforms in the former communist countries, the officials said.

Among possible themes at the conference are corporate reform, conversion of military production for civilian purposes, promotion of international trade, and encouragement of foreign investment in the former East bloc nations, they said. Introducing the principle of competition by dividing state-run monopolies, implementing

foreign currency control, and cooperating in improving industrial technology and management know-how, especially to help foster small and medium-sized companies, will also be on the agenda, they said.

Japan is expected to advise the former East bloc nations to create a market-oriented free trade zone among themselves and set up government-affiliated financial policy institutions, particularly for small and medium-sized businesses, to promote domestic industry, they said. The conference is the second of its kind, following one in Munster, Germany, last May and aims to give ministers and business officials the chance to discuss such issues as improvement in productivity, corporate management reform, revision of commercial laws, and market liberalization.

Among participants will be Japan's International Trade and Industry Minister Yoshiro Mori, U.S. Secretary of Commerce Ronald Brown, German Economics Minister Guenther Rexrodt, and Russian acting Economic Minister A.G. Shapovalyants. Representatives of the Organization for Economic Cooperation and Development (OECD) and each participating nation's private business circles are also expected to attend, they said.

Bangkok Meeting Discusses DPRK Nuclear Issue**ROK Minister: PRC Talks 'Constructive'***SK2204022993 Seoul YONHAP in English 0035 GMT
22 Apr 93*

[YONHAP "News Analysis" by Yun Tong-yong]

[Text] Bangkok, April 2 [date as received] (YONHAP)—South Korea gave China every possible reason and justification to persuade North Korea to solve its nuclear confrontation on Wednesday when South Korean Foreign Minister Han Sung-chu, reaching out to Pyongyang via Beijing, met with his Chinese counterpart, Qian Qichen. In their 80-minute meeting, Han showed Qian the sticks and the carrots and told him that the choice was entirely up to North Korea.

Qian, repeating China's insistence that the United States holds the key to solving the nuclear question, urged direct negotiations between North Korea and other involved countries. Han said direct talks were possible, but "only at the right time," which was another way of saying that North Korea must move forward first if it wants to meet with the United States.

Han told Qian it was up to China to convince North Korea to take the step so that Washington would open high-level dialogue with Pyongyang and induce progress on the nuclear stalemate. He was nearly blunt in pointing out China's self-interest in the matter, telling Qian that Beijing would find itself in an awkward position if North Korea's nuclear program could not be stopped because it would heighten the chances for nuclear proliferation in Northeast Asia.

The South Korean foreign minister attached symbolic importance to his meeting with Qian, saying that the important fact was that they met in person and sincerely discussed the North Korean nuclear problem. The meeting indeed will cause unease in North Korea, which has only China on its side while the United Nations Security Council is drawing up a draft of resolution against Pyongyang at this very moment.

Emerging from his longer-than-expected meeting with Qian, Han said China had acknowledged the seriousness of the North Korean nuclear problem and had agreed to cooperate with South Korea to solve it. Calling the meeting "very constructive and helpful," Han told reporters it was safe to assume that China believed North Korea's acceptance of international inspection of its atomic facilities was the first step to clearing global suspicions.

Qian is expected to visit Seoul in late May, when the issue will be at its height just before North Korea's withdrawal from the Nuclear Nonproliferation Treaty (NPT) becomes final on June 12. Pyongyang is certain to take high note of the visit.

China said, of course, that there was still time and urged involved countries to diplomatically negotiate with

North Korea for a peaceful resolution. Such a position is still far from Seoul's stance that North Korea must move first.

Qian pointed out what other countries can do to persuade North Korea to compromise, subtly adding that Pyongyang opposed the annual South Korea-U.S. military exercise "Team Spirit" and felt threatened by it. South Korea made clear again that whether the international community uses sticks or carrots is entirely up to North Korea. With this, China's influence grows. In his meeting with Qian, the foreign minister explained just how important China's role is now as the reaction of the world community in the next few months will depend on how successfully China persuades Pyongyang.

ROK, Thai Ministers To Cooperate on Issue*SK2204060593 Seoul YONHAP in English 0539 GMT
22 Apr 93*

[Text] Bangkok, April 22 (YONHAP)—South Korean Foreign Minister Han Sung-chu sought the support of Thailand and other Asian countries Thursday for a peaceful resolution to the North Korean nuclear controversy. Han, meeting Thai Foreign Minister Prasong Soonsiri, explained the results of his meeting the day before with the Chinese foreign minister and the two agreed on cooperation to untangle the crisis. He asked that Thailand and other members of the Association of Southeast Asian Nations (ASEAN) continue supporting Seoul's diplomatic efforts.

Han was in Bangkok to attend the 49th session of the U.N. Social and Economic Commission for Asia and the Pacific (ESCAP), opening Wednesday. He met earlier with Japanese Vice Foreign Minister Koji Kakizawa, also here for ESCAP, and they briefed each other on their meetings with Chinese Foreign Minister Qian Qichen.

Han and Kakizawa reiterated the need to work closely together to convince North Korea to return to the Nuclear Nonproliferation Treaty and to accept international inspection of its suspected nuclear facilities. The South Korean foreign minister ends his Bangkok visit Friday and returns to Seoul.

Malaysia Cautions Trade Groups on ILO Standards*BK2104070093 Kuala Lumpur BERNAMA in English
0559 GMT 21 Apr 93*

[Text] Kuala Lumpur, April 21 (OANA—BERNAMA)—Malaysia has cautioned Asia-Pacific nations against attempts by some international trade organisations to destabilise the industrial relations system in their countries. Speaking at the 13th conference of Asian and Pacific labour ministers in Teheran,

Iran, Deputy Human Resources Minister M. Mahalingam said Wednesday the main aim of the organisations was to exert pressure on developing countries to adopt rigid International Labour Organisation (ILO) standards.

These standards include the free choice of trade union association and unrestricted collective bargaining rights, he added. The text of his speech was released here. Mahalingam, who is leading a five-member delegation to the three-day meeting, said the activities of those international trade organisations had been apparent over the last few years and he reminded Asia-Pacific countries to be wary of their moves.

He urged Asia-Pacific countries to call on the ILO to be more flexible and less legalistic in its supervisory role in respect of compliance with ILO conventions. Rather than formulating new labour standards, the ILO should review its existing standards with the objective of discarding irrelevant standards and update them for more meaningful and pragmatic applications in the present day context, he said.

ILO as part of the United Nations system should contribute fully to the efforts to enhance the coherence and effectiveness of technical cooperation, he added. Mahalingam said one area in which the ILO should give priority was to evolve a training strategy that effectively harmonized education and training actions in a life-long process whereby skills of the workforce could continuously be upgraded.

Another task for ILO would be to provide expertise in the design, monitoring, and evaluation of training programmes in view of the need to promote responsiveness to rapidly changing labour market demand, he added. Mahalingam also said there was a need for Asia-Pacific countries to share their knowledge and expertise in technical cooperation.

At present, the potential of regional cooperation had not been effectively utilised in full and there was a need for actual participation by all, especially governments in the region, he added. The first step would be for the countries to identify their own technical cooperation needs and obtain them through bilateral or multilateral means. He said the ILO on its part should also facilitate the promotion of regional cooperation through provision of support services. Malaysia's needs were in the areas of human resources development, reducing the rigidity in the existing wage setting system and upgrading labour standards, he added.

Scholars, Businessmen Discuss Tumen River Project

SK1904084393 Seoul YONHAP in English 0805 GMT 19 Apr 93

[Text] Beijing, April 19 (YONHAP)—Scholars and businessmen from South and North Korea, China, Japan, Russia, and Mongolia met in Tianjin on Monday for the second conference of the Association for Northeast Asian Economic Cooperation (NEA-EC). While participants from the six nations mainly discussed joint efforts to promote economic development in Northeast Asia at the private-level, the North and South Koreans made detailed proposals on bilateral economic cooperation.

The South Koreans proposed an inter-Korean partnership to build a power station in the Demilitarized Zone (DMZ) and to advance their automobile industry to North Korea and China, while the North Koreans described their plans for development of the Tumen River area. The Japanese recommended that a NEA-EC forum center be set up in the DMZ to ease tension on the Korean peninsula and to boost regional economic relations.

Participants exchanged views on China's proposal for joint highway construction and exploitation of resources in the Yellow Sea and the Gulf of Chihli (Po Hai), and Russia's suggestions for Tumen River development. The two-day conference has attracted 20-odd scholars, businessmen and journalists.

Hyundai group chairman Chong Se-yong, KOREA ECONOMIC DAILY President Ho Yong-chin and U Chong-ha, a professor at Kukmin University, represent South Korea. Also attending were NEA-EC's Russian-side chairman, Mikhail Titarenko, director of Far Eastern Studies at the Russian Academy of Science, O Hyong-chu, vice chairman of the North Korean committee of trade promotion, Wei Yuming, a former Chinese deputy minister for foreign economy and trade, Toshio Kawabe, a Japanese professor and director of the Institute of Cross-culture Studies, Da Lai, a Mongolian professor and director of the center for Northeast Asian studies.

Born in July 1991 to promote non-governmental economic ties in Northeast Asia, NEA-EC first met in Beijing in December 1991. A scheduled meeting in Pyongyang last September was canceled due to uncomfortable inter-Korean relations over the normalization of Seoul-Beijing ties the previous month.

Japan

Muto Disputes U.S. Claims of Closed Market

OW2204044893 Tokyo KYODO in English 0409 GMT
22 Apr 93

[Text] Tokyo, April 22 KYODO—Foreign Minister Kabun Muto on Thursday [22 April] disputed U.S. claims that Japan's market is closed, saying it is more open than the U.S. market. Muto made the remark before the House of Councillors Foreign Affairs Committee while answering questions from an opposition legislator regarding a U.S. demand that Japan open its market wider to imports. The demand was made at last week's Washington summit involving Prime Minister Kiichi Miyazawa and U.S. President Bill Clinton.

Muto also said the Japan-U.S. trade imbalance is unavoidable, noting Japanese exports to the U.S. have gained in value but not in volume. He attributed the imbalance to the high value of the yen against the U.S. dollar and Japanese companies' tendencies to export at high prices to avoid dumping charges.

Spokesman: USTR's List Not Final U.S. Position

OW2204091093 Tokyo KYODO in English 0844 GMT
22 Apr 93

[Text] Tokyo, April 22 KYODO—Japan does not regard U.S. Trade Representative [USTR] Mickey Kantor's call to put seven trade sectors on the agenda for a new round of trade talks to represent the U.S. Administration's final position, the top government spokesman said Thursday [22 April]. Chief Cabinet Secretary Yohei Kono declined to comment on whether the seven sectors named by Kantor are acceptable to Japan, saying that the agenda for the new framework of trade talks agreed to last week will be decided by the two governments over the next three months.

In testimony to congress on Wednesday, Kantor cited auto parts, automobiles, telecommunications equipment, microchips, construction, computers, and supercomputers as areas where he would like to see more exports to Japan. Up to 65 percent of the 96 billion dollars worth of goods Japan exported to the United States last year focused on the seven areas of trade, according to Kantor.

Kono told a news conference that he regards the list to represent areas of interest to the trade representative, and said "I don't think the U.S. Government has finalized" its position. Last Friday, Prime Minister Kiichi Miyazawa and U.S. President Bill Clinton agreed to establish a new framework of trade talks that will address sectoral and structural trade issues, and areas for broader cooperation such as environmental protection between the two countries.

Tokyo To Urge G-7 Nations To Boost Economies

OW2204105293 Tokyo KYODO in English 1037 GMT
22 Apr 93

[Text] Tokyo, April 22 KYODO—Japan will urge other Group of Seven (G-7) major industrialized nations to boost their economies when the leaders meet next week in Washington, a top Finance Ministry official said Thursday [22 April]. The official, asking not to be named, said Japan will explain its recent economic stimulus package to other G-7 members when the group's finance ministers and central bankers gather in the U.S. capital prior to an interim committee meeting of the International Monetary Fund (IMF).

The Japanese Government announced a 13.2 trillion yen pump-priming program earlier this month, following a similar 10.7 trillion yen scheme introduced last August, to help boost the recession-plagued economy. The official said the topic was not discussed when G-7 finance and foreign ministers met in Tokyo last week to discuss aid to Russia.

He said currency exchange rates and assistance to Russia is expected to be on the table, but was skeptical there would be a major development in a proposal made by the United States last week to launch a 4 billion dollar fund to help privatization in Russia. The official said it is unlikely that the G-7 will compile any communique after their meeting. He declined comment on the foreign exchange rates saying the market is fluctuating too nervously and the best thing at such times is to "remain quiet."

MITI Minister: Yen Rise May Slow Economic Recovery

OW2204063693 Tokyo KYODO in English 0612 GMT
22 Apr 93

[Text] Tokyo, April 22 KYODO—The yen's rapid gains against the U.S. dollar on foreign exchange markets may depress business confidence and decelerate the economic recovery, Japan's vice trade minister said Thursday [22 April]. Yuji Tanahashi, vice minister at the Ministry of International Trade and Industry (MITI), said at a press conference, "The yen's quick rise could stifle the government's new pump-priming measures."

"A stronger yen may discourage exports and badly affect companies earnings," he said. Tanahashi expressed doubts about the intention of U.S. President Bill Clinton's remarks in favor of the yen's appreciation after a meeting with Japanese Prime Minister Kiichi Miyazawa in Washington last week. "The yen's fast rise will have a bad impact on the U.S. economy, too," he said. As the yen quickly rises, Japanese companies would withdraw their money from the U.S. bond market and as a result fund-raising in the United States would become difficult, pushing up interest rates there, Tanahashi said.

UNTAC Asks SDF To Transport Cambodian Ballot Boxes

*OW2204105593 Tokyo KYODO in English 1041 GMT
22 Apr 93*

[Text] Tokyo, April 22 KYODO—The United Nations has asked Japan to mobilize its Self-Defense Forces [SDF] personnel to transport ballot boxes to various provinces of Cambodia, government sources said Thursday [22 April]. The sources said the Japanese Government received the request from the U.N. Transitional Authority in Cambodia (UNTAC) prior to a general election to be held May 23-28.

Meanwhile, 18 signatories to the 1991 Paris peace accord for Cambodia agreed to jointly issue a declaration to back an international accord to hold the May general election as originally scheduled. The truce accord led Cambodia's four major rival factions to end 13 years of civil war, paving the way for the deployment of the 22,000-member UNTAC personnel and civilian election monitors affiliated with the world body in the nation.

Tokyo To Include SDF Staff in Mozambique Dispatch

*OW2104144293 Tokyo KYODO in English 1407 GMT
21 Apr 93*

[Text] Tokyo, April 21 KYODO—Plans to include five Self-Defense Forces [SDF] officers as staff members to the United Nations peacekeeping headquarters in Mozambique appeared set Wednesday [21 April] as government officials discussed details of Japan's peacekeeping contributions. Government officials will hear a report this week from its second survey team returning from Mozambique on Thursday and make a formal decision on its dispatches to Mozambique and Cambodia with a dispatch order at the April 27 cabinet meeting.

Officials have been meeting to iron out the details of their implementation proposals, including the administrative nature, scale, and equipping of the governments dispatch of peacekeepers to Mozambique and election monitors to Cambodia. Sources said Wednesday that about 50 SDF troops will engage in transport control operations in the capital of Maputo in southern Mozambique, the nearby town of Matora and the coastal city of Beira in the eastern part of the country.

Five SDF officers will also be assigned as staff members to the U.N. headquarters, the sources said. According to the implementation proposal, the dispatch order will be effective from April 30 for about seven months until the end of November. The troops will carry rifles and pistols for self-defense and will also take along satellite communication equipment and several four-wheel drive vehicles, the sources said.

U.N. activities are scheduled to cease at the end of October, but it is likely the operations will be extended this fall and the Japanese Government will also alter its plans to meet the U.N. decision, the sources said. The

officers assigned to the U.N. headquarters will be assigned as individuals but will be separate from the transportation corps, although the office staffers will also do work connected with Japan's Peacekeeping Operations Law.

Election monitors for Cambodia will be assigned for a period from April 30 to mid-June and will oversee that country's general elections scheduled for May 23-28. The advance mission for Mozambique will leave May 11, while the main body of troops will follow May 15, the sources said. The election monitors for Cambodia will leave around May 20.

Industry To Resume Siberian Forest Development

*OW2204100893 Tokyo KYODO in English 0807 GMT
22 Apr 93*

[Text] Tokyo, April 22 KYODO—Japan and Russia have reached a basic agreement to resume their joint forest resources development in Siberia, Japanese industry sources said Thursday [22 April]. The project calls for Russia to export lumber from the Russian Far East to Japan and import lumbering machines and construction machinery from Japan.

Development work is likely to be started next month, the sources said. The agreement came after Russia proposed using foreign currency it will gain from the project on an improvement of its industrial infrastructure, such as ports and harbors and highways, the sources said.

Russia also proposed applying for official aid from the Japanese and Russian Governments, including application of trade insurance to Japanese machinery exports under the project, the sources said. Japan and the former Soviet Union so far have implemented three such projects. In 1991 they signed an agreement on a fourth project, calling for the export of 1.4 billion U.S. dollars worth of lumber to Japan in five years, but the collapse of the Soviet Union has caused a suspension in the project.

Tokyo, Moscow To Study Feasibility of Ferry Route

*OW1604105693 Tokyo KYODO in English 1035 GMT
16 Apr 93*

[Text] Tokyo, April 16 KYODO—Japan and Russia have agreed to do a feasibility study on starting new ferry boat routes between the two countries, Japanese shipping companies said Friday [16 April]. The accord was reached at the fifth session of talks between a group of six Japanese shipping companies, led by Nippon Yusen K.K., and Fesco, a Russian state-run shipping company, the companies said.

They said the shipping companies in both countries will do surveys on possible routes to link two Japanese cities, Niigata and Otaru, with three Russian Far East cities, including Vladivostok and Korsakov. The surveys will be done by this fall.

The private sector, bilateral talks began in 1991. Russia earlier insisted there is no need to open new ferry routes because they will reduce demand on the current route between Niigata and Nakhodka, according to the Japanese companies.

Tokyo Offers Kyrgyzstan \$1 Million for Vaccinations

OW2104122693 Tokyo KYODO in English 1011 GMT 21 Apr 93

[Text] Tokyo, April 21 KYODO—Japan on Wednesday offered 1 million dollars worth of assistance to help the Central Asian Republic of Kyrgyzstan implement a vaccination program. Foreign Ministry officials said diplomatic notes were exchanged in Tokyo between Japanese Foreign Minister Kabun Muto and his Kyrgyz counterpart Ednan Karabayev.

Karabayev arrived in Japan on Tuesday accompanying Kyrgyz President Askar Akayev on a five-day official visit. The officials said the assistance will be in the form of vaccines, public instructional materials, and transport, storage and cooling equipment. They said the aim is to help make Kyrgyzstan self-sufficient in vaccinations by the end of 1986.

Up to 40 percent of the 1 million dollar offer will be allocated to a fund set up under the United Nations Children's Fund (UNICEF). UNICEF will control how much of the fund can be used by Kyrgyzstan each year, which will gradually be reduced as the government becomes able to allocate more from its own budget for the vaccination program. Japan has already decided to give Kyrgyzstan 2.25 million dollars in humanitarian assistance through the Japanese Red Cross.

Justice Minister To Visit PRC on Legal Exchanges

OW2204100593 Tokyo KYODO in English 0914 GMT 22 Apr 93

[Text] Tokyo, April 22 KYODO—Deputy Prime Minister and Justice Minister Masaharu Gotoda will visit Beijing May 3-10 to discuss legal exchanges, government sources said Thursday [22 April]. In addition to meeting with justice authorities in Beijing, Gotoda is also scheduled to meet with President Jiang Zemin and Qiao Shi, chairman of the Standing Committee of the National People's Congress.

Trade Minister To Visit Indonesia, Singapore

OW2204100793 Tokyo KYODO in English 0816 GMT 22 Apr 93

[Text] Tokyo, April 22 KYODO—Japanese Trade Minister Yoshiro Mori will visit Indonesia, Singapore and Brunei on a weeklong tour starting April 29, ministry officials said Thursday [22 April]. Mori, minister of

international trade and industry, will be the first Japanese trade minister to visit Brunei since that country's independence in 1984, the officials said.

Mori is scheduled to confer with leaders of the three countries on bilateral and international problems, they said. His schedule includes meetings with Indonesian President Suharto, Singapore Prime Minister Goh Chok Tong and Brunei's Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, they said.

Rengo Backs Council-Proposed Political Reform

OW2104125293 Tokyo KYODO in English 1236 GMT 21 Apr 93

[Text] Tokyo, April 21 KYODO—Japan's largest trade union confederation leader Akira Yamagishi on Wednesday [21 April] expressed support for a package of political reform proposals by a private panel, backing away from the political reforms proposed by the opposition parties. He gave support for the proposals by the Committee for Promotion of Political Reform while speaking at a lecture in Kawaguchi near Tokyo.

"(The proposals) are not the best but better. It is worthwhile (for us) to study (the proposals)," said Yamagishi, president of the Japanese Trade Union Confederation (Rengo).

The council proposed cutting the number of lower house seats from 512 to 500, with 300 legislators elected through a system of the single-seat constituencies and the remaining 200 through proportional representation in each of 47 prefectures across the country last Saturday. The proposals by the council, composed of industry, labor and media leaders, boded well for bridging the gap between the reform bills by the ruling Liberal Democratic Party (LDP) and a similar plan jointly submitted by the top two opposition parties, the Social Democratic Party (SDP) and Komeito.

Yamagishi said the council-proposed political reform will play a crucial role in bringing about a political system of two big parties, which will enable Japan to have a change of governments. Yamagishi said the political reform proposals by the council will trigger the reorganization of more than five ruling and opposition political parties. He said the proposals will not be able to guarantee one candidate from one opposition party wins an election against the LDP in single-seat constituencies unless opposition parties back a single candidate.

Yamagishi said he will ask top Rengo leaders to support the package of the council-led political reforms when he meets with them on April 28. Rengo wants a political reform law to be applied to the upcoming general election, Yamagishi said. Political analysts have speculated the election will be held as late as the end of this year.

Rengo has so far been in support of a package of the political proposals which have been drafted by the SDP and Komeito. The proposals by the opposition parties are a combination of systems of single-seat constituencies and

proportional representation in each of 12 political blocks which will divide the country. The opposition plan will cut the total seats of the lower house from the current 512 to 500, which will comprise 200 single seat constituencies and 300 seats of the proportional representation. The LDP has proposed 500 single-seat constituencies.

Agency Orders Compliance With Dolphin Catch Limit

OW2004070293 Tokyo KYODO in English 0638 GMT 20 Apr 93

[Text] Tokyo, April 20 KYODO—The Fisheries Agency has instructed eight prefectures nationwide to strictly observe its ceiling on the 1993 catch of striped dolphins, agency officials said Tuesday. The move comes in response to international calls for a ban on catches of the endangered species, they said.

Under the agency guideline, catches of striped dolphins have been cut to 725 this year from some 1,000 caught last year, while total catches of other types of dolphin have been reduced by up to 100 to about 21,000. The agency also told authorities in the prefectures, including Wakayama, Shizuoka and Hokkaido, to present specific plans for observing the limit, the officials said.

They also said the agency will send inspectors to Taiji, Wakayama Prefecture, to monitor dolphin-catching operations. The agency has virtually banned fishermen from catching Pacific white-sided dolphins and common dolphins, whose population conditions are not known.

Since 1991, the agency has set a ceiling on dolphin catches in Japanese coastal waters due to growing international criticism of the nation's policy of allowing dolphin catching. The International Whaling Commission (IWC) adopted a proposal last year that dolphin catches be placed under strict control and supervision.

Fishery 'White Paper' Calls for Resource Management

OW2004022793 Tokyo KYODO in English 0206 GMT 20 Apr 93

[Text] Tokyo, April 20 KYODO—Japan's fishery industry needs to manage fishing resources for sustainable use to cope with decreasing catches in regulated international waters, the government said Tuesday in an annual white paper. The fiscal 1992 White Paper on Fishery, submitted by Agriculture, Forestry and Fisheries Minister Masami Tanabu, was endorsed at a morning cabinet meeting.

It calls for efficient management to transcend the current divisions of the industry along regional and fishing-method lines, while placing emphasis on creation of fishermen's own organizations and continued promotion of fish-farming. Production, including catches and output of fish farms, totaled 9.98 million tons in calendar 1991, down 10 percent from the year before for the third straight year-on-year decline, and below 10 million

tons for the first time in 20 years, the paper said. It attributed the decline to tighter fishing restrictions on the high seas.

Against this backdrop, fishing resources in Japan's territory are becoming increasingly important but are on the decline, the paper said. The number of workers in the fishing industry in 1991 declined 4.2 percent from a year earlier to 355,000, it noted. To stop the decline in the work force, especially of younger people, the paper proposes efforts to raise income through marine recreational businesses, like sports fishing and yachting, and also to create an attractive living environment for younger people.

Tokyo To Seek Continued Whaling

OW2104023393 Tokyo KYODO in English 0206 GMT 21 Apr 93

[Text] Kyoto, April 21 KYODO—Japan has proposed reaffirming the principle of conserving whales while continuing whaling for the agenda of the coming general meeting of the International Whaling Commission (IWC), a Fisheries Agency official said Wednesday. With the IWC dominated by antiwhaling countries, however, it is unlikely the proposal will be accepted, analysts said.

It will be decided at the outset of the annual meeting, slated for May 10-14 in Kyoto, if Japan's suggestion is worth being discussed, said the agency official, who requested anonymity. "If our proposal is not adopted as a topic for discussion, we will have to doubt once again whether the IWC is functioning properly," the official said.

The IWC must be aware that the principle of conserving and continuing to use live marine resources has been reaffirmed at various international conferences, he said. The conservation and sustainable use of living marine resources gained approval at the Earth Summit held in Rio de Janeiro last year. Also, the appropriate use of marine resources was admitted at a meeting of the Food and Agriculture Organization (FAO), a United Nations agency, the official noted.

The IWC imposed a 10-year moratorium on whaling in 1985. Japan, which suspended all but research whaling in 1988, is seeking to lift the ban on commercial whaling, along with Norway.

Japan is the world's largest consumer of whale meat. Consumption came to about 2,500 tons in 1991. Japan suggested last year that it may pull out of the commission if the body continued its "unfair" management system.

Kazuo Shima, deputy director general of the Fisheries Agency, said at the IWC meeting held in Glasgow, Scotland last year that the organization's management system is "politically biased and extremely unfair." His remark came after the 1992 meeting adopted a resolution to block Japan and other whaling nations from attempting to resume commercial whaling. Opinion is growing in the agency that Japan will have to consider quitting the IWC if it adopts a French proposal to

establish a sanctuary for whales that would ban commercial whaling in the Antarctic, the official said.

Supplementary Budget Bill To Go to Diet 14 May

OW2204053893 Tokyo KYODO in English 0414 GMT 22 Apr 93

[Text] Tokyo, April 22 KYODO—The government will submit a supplementary budget draft for the current fiscal year to the Diet around May 14, Chief Cabinet Secretary Yohei Kono said Thursday [22 April]. Kono revealed the schedule at a meeting of the House of Representatives Committee on Rules and Administration.

He said the government believed it had allocated enough in the main budget to stimulate the nation's economy, but in view of recent developments it now considers a supplementary budget is necessary. Finance Minister Yoshiro Hayashi will address the Diet on fiscal policy on May 14, committee sources said.

Wholesale Prices Fall 0.1 Percent in Early April

OW2104121393 Tokyo KYODO in English 0955 GMT 21 Apr 93

[Text] Tokyo, April 21 KYODO—Japan's overall wholesale prices in the first 10 days of April fell 0.1 percent from March 21-31, the Bank of Japan reported Wednesday [21 April]. Compared with a year earlier, the figure was down 2.5 percent, the central bank said. It said the wholesale price index for the first 10 days of April stood at 95.9 against the 1990 base of 100.

Wholesale prices of imported goods declined 0.7 percent from the March 21-31 period and 8.1 percent from a year earlier, while export prices were down 0.9 percent from the previous month and down 10.0 percent from a year before, the bank said. Domestic wholesale prices remained unchanged from the previous 11 days, but declined 1.1 percent from a year earlier with the index standing at 99.1 against 100 for 1990, the bank said.

Household Spending Down 3.4 Percent in February

OW2204055193 Tokyo KYODO in English 0536 GMT 22 Apr 93

[Text] Tokyo, April 22 KYODO—Japan's household spending fell an inflation-adjusted 3.4 percent in February from a year earlier, the government reported Thursday [22 April]. The fall followed an inflation-adjusted 2.1 percent drop in January from a year earlier. The management and coordination agency said in a preliminary report that the average spending by wage earning households in February fell 0.7 percent, while that by non-wage earning families tumbled 8.4 percent.

Kawasaki Steel To Downsize by 3,200 Over 3 Years

OW2104115993 Tokyo KYODO in English 0938 GMT 21 Apr 93

[Text] Tokyo, April 21 KYODO—Kawasaki Steel Corp. said Wednesday [21 April] it will cut a total of 3,200 jobs in its steel production and administrative divisions in the next three years. As a result, its total work force will decline to 14,800 at the end of March 1996 from 18,000 this March.

Kenzo Monden, the steelmaker's vice president, said, "The plan is to improve our profitability sufficiently to compete with our global counterparts in such countries as South Korea by 1996, when cost-cutting competition is expected to peak." The revised goal is the result of a review of Kawasaki Steel's five-year management plan through 1995.

Under the revised five-year plan, in addition to the work force cutback, the firm will also cut investment in new facilities to 660 billion yen from an initially planned 800 billion yen. It also plans to squeeze inventory as of the end of fiscal 1995 to about 100 billion yen from the initially planned 140 billion yen. By adopting the revised plan, Kawasaki Steel projects it will be able to maintain a 40 billion yen pretax profit in fiscal 1996—a year expected to witness another economic slump with the country's overall crude steel output dropping to around 95 million tons.

North Korea

Daily: U.S. Creates 'Worldwide' Nuclear Threat

SK2204101893 Pyongyang KCNA in English 1009 GMT 22 Apr 93

["U.S. Is the Very One That Increases Nuclear Threat" Worldwide—KCNA headline]

[Text] Pyongyang, April 22 (KCNA)—NODONG SINMUN today comes out with a by-lined article entitled "The United States Is Very One That Increases International Nuclear Threat".

The U.S. ruling quarters are trying to label the DPRK as a "nuclear criminal", but the real criminal is, in actuality, the United States that creates nuclear threat worldwide, the article says, and goes on:

The U.S. imperialists are going ahead with the development and production of sophisticated nuclear weapons behind the curtain of "nuclear disarmament" and are hastening through it the modernization of nuclear weapons.

The United States has earmarked about four billion dollars for the "Star Wars" program in the current fiscal year. It is further strengthening its nuclear Armed Forces qualitatively by producing and developing larger quantities of new sophisticated high-performance nuclear weapons while reducing some of the old ones of less efficiency.

The true color of the U.S. imperialists as the arch criminal responsible for the nuclear threat growing worldwide is revealed glaringly in the fact that they have clandestinely helped or connived at the development of nuclear weapons by some countries and their followers.

The United States had signed a cooperation agreement related to nuclear development with South Africa on the sly.

The South Korean puppet clique's nuclear arms development was virtually based on the backstage approval and cooperation of the United States.

Another undeniable, clear evidence that the United States is the very one that increases nuclear threat and the danger of nuclear war worldwide is that it has deployed a large number of nuclear weapons in different parts of the world, engaging itself in nuclear threat.

Vociferating about "deterrence of threat" from somebody and "protection by nuclear umbrella" of its allies, the United States has so far steadily beefed up its nuclear Armed Forces and massively deployed them in South Korea, Japan, the Asia-Pacific, the Indian Ocean and western Europe and other areas.

Many U.S. warships armed with nuclear weapons are cruising oceans of the world as if they are their own territorial waters, posing nuclear threat.

On the other hand, the U.S. imperialists are frequently staging nuclear war exercises in all parts of the world, mobilizing numerous nuclear means based in the U.S. mainland and overseas. "Team Spirit" war exercises are a typical example.

Although the U.S. ruling quarters try to embellish their criminal acts in increasing international nuclear threat, it is a foolish, futile attempt.

The United States can never evade the blame for increasing international nuclear threat.

KCNA Reports U.S., ROK Military Activity

20 Apr 'Air War Exercise'

*SK2204052293 Pyongyang KCNA in English
0424 GMT 22 Apr 93*

[Text] Pyongyang, April 22 (KCNA)—The U.S. imperialist aggressors and the South Korean puppets on April 20 staged a provocative joint air war exercise against the North in the skies above Yaju, Yongwol and Pyongchang and the West Sea off Sosan, according to military sources.

The exercise involved overseas-based fighter-bombers and pursuit-assault planes and warplanes of the U.S. Seventh Airforce and the puppet airforce, more than 250 all told.

An estimated 150 fighter-bombers, pursuit and assault planes staged an air battle exercise under different circumstances flying above Kunwi, Tanyang and Chongju on the same day, and scores of fighter planes a ground attack support exercise in the skies above Uijongbu and Kapyong.

In another development that day, groups of scores of combatant ships and landing craft of the South Korean puppet army massed in the sea off Kangnung held a landing exercise in an area similar to the coast of the northern half of Korea with the support of overseas-based fighter-bombers, assault planes, anti-submarine patrol planes and naval artillery.

The warplanes and naval warships mobilized in air and landing exercises that day totalled respectively more than 600 and 150.

21 Apr 'Bombing Exercise'

*SK2104114593 Pyongyang KCNA in English
1042 GMT 21 Apr 93*

[Text] Pyongyang, April 21 (KCNA)—The U.S. imperialist aggressors on April 19 staged a bombing exercise aimed at a surprise strike at targets in the strategic in-depth areas of the northern half of Korea in the skies above Yongwol, Yaju and Umsong with fighter planes based in South Korea and overseas, according to military sources.

The exercise was held with the support of observation planes, involving various kinds of warplanes, more than 300 all told.

On the same day, some 100 fighter-bombers, pursuit and assault planes were flown in an exercise for air supremacy, and another group of fighter-bombers in a joint ground strike exercise.

Kim Il-song Holds Talks With Cambodia's Sihanouk

*SK2104114893 Pyongyang KCNA in English
1054 GMT 21 Apr 93*

[Text] Pyongyang, April 21 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today met with His Royal Highness Samdech Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia, on an official goodwill visit to Korea.

Present on the occasion were Vice-president Yi Chong-ok, Vice-Premier and Foreign Minister Kim Yong-nam, Vice-premier Kim Pok-sin, Vice-minister of Foreign Affairs Cho Kyu-il and Korean Ambassador E.P. to the Supreme National Council of Cambodia Kim Hyong-yol.

Supreme Advisor to the Head of State of Cambodia and the Secretariat of the Chairman of the SNC Um Manorin and others were also present. President Kim Il-song had a cordial and friendly talk with his Royal Highness Samdech Norodom Sihanouk. Then he saw with the samdech "My Village at Sunset", a feature film made by the latter.

He arranged a luncheon for the samdech.

The luncheon proceeded in an amicable atmosphere.

Kim Chong-il Receives Message From SRV President*SK2104114293 Pyongyang KCNA in English
1018 GMT 21 Apr 93*

[Text] Pyongyang, April 21 (KCNA)—The dear leader Comrade Kim Chong-il received a message from Le Duc Anh, chairman of the National Defence Council of the Socialist Republic of Vietnam, congratulating him upon his election as chairman of the National Defence Commission of the DPRK.

In the message he extended warm felicitations to Comrade Kim Chong-il and wished that the friendly and cooperative relations between Vietnam and Korea would further consolidate and develop with every passing day.

Joint Symposium With Cuba Issues Communique 9 Apr*SK2204053593 Pyongyang KCNA in English
1500 GMT 21 Apr 93*

[Text] Pyongyang, April 21 (KCNA)—A joint communique on the Symposium of Korean and Cuban Scholars on the Present Times and Socialism was announced in Havana on April 9.

According to the communique, the symposium was held in Havana from April 7 to 9.

Speakers stressed with great pride that under the wise leadership of Comrade Kim Il-song, the great leader of the Korean people, and the dear leader Comrade Kim Chong-il and under the seasoned leadership of esteemed Comrade Fidel Castro Ruz of the Cuban people and the Communist Party of Cuba, the two peoples are advancing the cause of socialism victoriously, smashing anti-socialist campaign of the imperialists and reactionaries.

Noting that secret of the advance of Korea and Cuba towards socialism without vacillation even under the severe circumstances and difficult conditions lies in that they are remolding the consciousness of the popular masses on socialist pattern and strengthening the unity of the leader, the party and the masses, the speakers said no force on earth can break the unity.

The progress of socialism in Korea and Cuba is based on the party's correct guidance, they said, proving that the party's guidance is vital to the cause of socialism.

The intellectuals of the two countries have staunchly struggled to defend socialism at a time when intellectuals came out against socialism in those countries in which socialism was frustrated, they pointed out, stressing that intellectuals will as ever discharge their mission and duty as eternal companions sharing sweets and bitters with the party and the leader in whatever rigorous trial.

O Chin-u Greets Iranian Defense Minister*SK2204044293 Pyongyang KCNA in English
0416 GMT 22 Apr 93*

[Text] Pyongyang, April 22 (KCNA)—Marshal of the Democratic People's Republic of Korea O Chin-u, minister of People's Armed Forces, sent a message of greetings to Akbar Torkan, Minister of Defence and Armed Forces Logistics of the Islamic Republic of Iran, on the occasion of the 14th anniversary of the Army Day of Iran.

Expressing the hope that the friendly and cooperative relations between the armies of the two countries would be further consolidated and developed, the message sincerely wished the Iranian minister greater success in his responsible work for increasing the defence capabilities of the country.

Iranian Sailors Laud 10-Point Unity Program*SK2204105593 Pyongyang KCNA in English
1039 GMT 22 Apr 93*

[Text] Pyongyang, April 22 (KCNA)—The crew of Iranian, Singaporean and Panamanian ships held a meeting at Nampo Port on the west coast of Korea on April 20 to support the "10-point programme of great unity of the whole nation for reunification of the country" worked out by the Great Leader President Kim Il-song.

At the meeting the captain of "Iran Nasr" and other speakers said the 10-point programme of great unity of the whole nation is a guideline indicating the way of realizing Korea's reunification independently and peacefully.

Expressing firm solidarity with the Korean people's struggle for national reunification, they said the 10-point programme of great unity of the whole nation is, indeed, a banner of national unity and a great programme for reunification to put a period to the national division.

They stressed that Korea's reunification should be realized in accordance with the 10-point programme of great unity of the whole nation set forth by his excellency the great President Kim Il-song.

A solidarity letter to President Kim Il-song was adopted at the meeting.

Syrian Economic Delegation Arrives 20 Apr*SK2104093593 Pyongyang KCNA in English
0502 GMT 21 Apr 93*

[Text] Pyongyang, April 21 (KCNA)—A Syrian Government economic delegation headed by 'Abd-al-Rahim Subay'i, minister of state for planning, arrived here on April 20. It was met at the airport by Chairman of the State External Economic Affairs Commission Yi Song-tae, officials concerned and Syrian Ambassador to Korea Yasir Farah.

Koreans in Russia, Kyrgyzstan Write to Yi In-mo

*SK2204105393 Pyongyang KCNA in English
1034 GMT 22 Apr 93*

[Text] Pyongyang, April 22 (KCNA)—Letters came from Korean residents in Russia and Kyrgyzstan to Yi In-mo, a former war correspondent of the Korean People's Army, upon his return to the embrace of the homeland.

Yi Tong-chol, chairman of the Russian Committee for the Promotion of Korea's Reunification, in his letter said Yi In-mo's repatriation is "a victory of all of us who want justice and a peaceful reunification of the homeland."

The Committee for the Promotion of Korea's Reunification in the Republic of Kyrgyzstan in its letter wished Yi In-mo would recover his health as soon as possible, noting with high estimation that he was active as a war correspondent for the freedom and liberation of the country and for the great leader during the fatherland liberation war.

Compatriots residing in the country, assistant professor and master of science Yim Afanash Grigorovich who is a surgeon, Chu Asa, Kim Anna and Kim Risa, in their letters sincerely wished Yi In-mo would stand in the ranks of the reunification march till the noble cause of national reunification has been accomplished, saying his warm love of the country and the nation and his noble fidelity to principle would remain recorded in the hearts of the Korean people for ever.

Meanwhile, letters came to Kim Sun-im, the wife of Yi In-mo, from Chong Anna and Kim Timofei.

Kim Il-song Receives Greetings From Foreign Leaders

*SK2204064093 Pyongyang KCNA in English
0420 GMT 22 Apr 93*

[Text] Pyongyang, April 22 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received messages of greetings from heads of state of different countries on his birthday.

The messages came from Muhammad Husni Mubarak, president of the Arab Republic of Egypt; Robert G. Mugabe, president of the Republic of Zimbabwe; Obiang Nguema Mbasogo, president of the Republic of Equatorial Guinea and founder-chairman of the Democratic Party of Equatorial Guinea; Ali Hassan Mwinyi, president of the United Republic of Tanzania; 'Umar Hasan Ahmad al-Bashir, president of the Ruling Command Council of the Sudanese National Salvation Revolution; El Hadj Omar Bongo, president of the Gabonese Republic; Hussein Bin-Talal, acting king of the Hashemite Kingdom of Jordan; Frederick J. T. Chiluba, president of the Republic of Zambia; and H. Kamuzu Banda, president of the Republic of Malawi.

In the messages they warmly congratulate President Kim Il-song on his birthday, expressing the belief that the friendly and cooperative relations existing between Korea and their countries, the Korean people and their peoples would develop on good terms.

They wish President Kim Il-song a long life in good health.

Diplomatic Corps Visit 'Revolutionary Site'

*SK2104114793 Pyongyang KCNA in English
1049 GMT 21 Apr 93*

[Text] Pyongyang, April 21 (KCNA)—Foreign diplomatic envoys in Korea visited the Paeksong revolutionary site in the suburbs of Pyongyang Tuesday on the occasion of the April 15. The Paeksong revolutionary site is a historical place where the great leader President Kim Il-song gave on-the-spot guidance to Kim Il-song University located in Paeksong-ri during the fatherland liberation war.

After visiting the site, the guests expressed deep impressions of the greatness of President Kim Il-song who opened a bright prospect of post-war rehabilitation and socialist construction, foreseeing future victory with outstanding foresight. The diplomatic corps laid a bunch of flowers at the statue of President Kim Il-song.

Daily Commemorates Kim Il-song's Birthday

*SK2104023693 Pyongyang Korean Central
Broadcasting Network in Korean 0030 GMT 15 Apr 93*

[NODONG SINMUN 15 April editorial: "Invincible Are Our People Who Advance With Firm Confidence in Victory Under the Leadership of the Party and the Leader"]

[Text] Revolution's victory is a victory of the faith and will of the people who struggle firmly believing in the party and the leader. Today all the people and the officers and men of the People's Army are staunchly smashing the maneuvers of the imperialists and reactionaries for aggression and war and are ardently adhering to the socialism of our own style, firmly rallying around the party and the leader.

At a time when our revolutionary ranks are filled with the indomitable faith and will to fight to the end under the glorious party's leadership, we are significantly greeting the birthday of the respected and beloved leader Comrade Kim Il-song. April 15, the day the respected and beloved leader Comrade Kim Il-song was born, is the most auspicious holiday of the nation in which the great sun of the people rose.

The hearts of our people are deeply engraved with the firm faith and will that we will be forever victorious as we did by tiding over the sternest storm of history by upholding the great leader.

The respected and beloved leader Comrade Kim Il-song is the spiritual pillar who is held in high esteem by all the

people and is the ever-victorious symbol. For our people, the lofty name of the great leader is a victorious banner infusing invincible faith into them and an inexhaustible source of power.

The respected and beloved leader Comrade Kim Il-song, who embarked on the road of the revolution in his early years with the aspiration of the times and the nation, has created the history of the most brilliant exploit and the invincibility in the history of the revolutionary struggle of the working class. The great leader Comrade Kim Il-song, even today, is leading our people's struggle at its head for the completion of the socialist cause with tireless and extraordinary energy and will.

The great ideology, leadership, and excellent quality of the respected and beloved leader endlessly inspire our people with hope for the future and a firm confidence in victory. Hence, our people have staunchly struggled along the single road of the revolution, extolling the leader, from the pioneering period of the revolution to the present when the revolution has reached its high-stage.

The history of our people's revolutionary struggle glitters as a glorious chronicle in which they fought, firmly believing in the respected and beloved leader Comrade Kim Il-song as the pillar of their faith and as a symbol of invariable victory.

The dear leader Comrade Kim Chong-il has noted: The revolutionary faith of the Korean communists and people upholding the respected and beloved leader Comrade Kim Il-song with loyalty is unshakable and immutable forever.

The faith and will are as important as life for those who carry on the revolution. The political and ideological might displayed in the revolutionary struggle is the might of faith. The road of the revolution is arduous and complex. It is a road of struggle waged to victory which is achieved through the might of faith and will.

History shows that the people with firm faith and will advance along the single road of victory overcoming all difficulties but that the people without faith yield, running into even a small difficulty.

By struggling and absolutely believing in the great leader Comrade Kim Il-song, our people proudly demonstrated themselves to be heroic people who defeated two strong imperialist enemies. The Korean revolution is a revolution in which it pioneered its way in a fierce struggle against the imperialists and the class enemies. The imperialist enemies, the most vicious ones in history who claimed themselves to be the strongest, maneuvered viciously to block the advance of our revolution by counterrevolutionary violence. Nevertheless, our people did not know of the slightest vacillation or fear before the strong imperialist enemies.

The great leader Comrade Kim Il-song is a legendary hero and an excellent military strategist whom our people hold in high esteem. In the gloomy period of the

Japanese imperialist rule, our people fought with confidence in victory looking up to Mt. Paektu where the general was trifling the 1 million-strong Kanto Army. During the Fatherland Liberation War, our people highly displayed the invulnerable valor and mass heroism, looking up to the Supreme Command and blocking the muzzles of the enemy's guns with their own bodies.

The Japanese imperialists and the U.S. imperialists were defeated by the respected and beloved leader's church-based military ideology, excellent arts of commanding the army, and the absolute faith and loyalty of the people who fought believing in the leader, our people turning out to be a heroic people who do not fear any enemy.

The two revolutionary wars clearly showed that nothing can defeat the people, who fight with the firm belief that the leader is their spiritual pillar, and that these people will gain a victory without fail.

Our people have vigorously fought along the road directed by the respected and beloved leader Comrade Kim Il-song. They have achieved a great success in struggle to construct socialism.

The road to socialism in our country, where everything was reduced into ashes and where no single brick remained intact, was an arduous struggle road. The road to socialism was an untrodden path on which everything should be planned and promoted with our own strength.

The great leader Comrade Kim Il-song's leadership was the wellspring of the unfathomable power enabling our people to create the greatest miracle and exploit in socialist construction. Due to the great leader's extraordinary wisdom and tested leadership, our people have always foreseen the future and have confidently advanced. They have resolved all issues in their own way based on their own strength.

The tasks of production and revolution and other difficulties might exist before our people who have followed the road directed by the party and the leader. They, however, have never wavered and hesitated in the face of trends of the times.

Apart from the indomitable faith and will of our people who have struggled and absolutely believed in the great leader, it is inconceivable to construct the socialist industrial state on ashes and to build the socialism of our own style centered on the popular masses in our country within the shortest period.

Our people's faith and will, which have been consolidated through history, become firmer in the struggle to defend, safeguard, and glorify the socialism of our own style under the leadership of the party and the leader.

Invincible are our people who never retreat in the face of the assault of any strong imperialists' enemies. The confrontation with imperialism precisely means confrontation of strength and confrontation of faith. Only the people that have strong faith will never succumb to

the enemies and will indomitably fight to defend their dignity in struggle against the enemies.

The imperialists' military threats are becoming conspicuous to stifle our country, the fortress of socialism. A touch-and-go situation was recently created in our country in which a war might break out any moment due to the enemies' vicious new war provocation maneuvers. Under the arduous situation deciding the fate of the country, our people's ideology never wavered at all. Rather, our faith to sternly cope with the enemies become firmer.

Because our people have the great leader Comrade Kim Il-song and the respected and beloved comrade supreme commander leads the whole country, all the people and the entire army had faith in victory. Our people sprang up like one, thus sternly smashing the U.S. imperialists' aggressors and firmly defending the socialism of our own style.

Even though the imperialists assault us with great troops and mass-destruction weapons, our people will never be taken by surprise. Our People's Army will never retreat in fear of war, either.

Even though the U.S. imperialists are proudly rampant in the world, they can never assault our people who fight on with the belief in the party and the leader. Filled with the faith in victory and optimism, our people are the most dignified revolutionary people who are advancing along the single road of socialism.

The socialism built by the great leader Comrade Kim Il-song is the life and lifeline of our people. The socialism, taking its deep root in our life, is inseparable from our people's fate. Indomitable are our people's faith and will to resolutely defend and safeguard the socialism of our own style led by the party and the leader.

By upholding the banner of socialism, our people are loyal to their historic cause and are brilliantly repaying the belief and expectation of the world revolutionary people. As they uphold the great leader and the great leader [yongdoja], our people are convinced that the cause of the socialism of our own style will be victorious. Nothing can check the future of our people.

Our people have strong faith and will and become indomitable revolutionary ones who never retreat in the face of any enemies' assaults. This is entirely because they uphold the great leader and the great leader [yongdoja].

The respected and beloved leader has acquired all traits and qualities that the great man can possess at the most noble level. He has been highly looked up to as the most outstanding working class' leader who has led the people into the ever-victorious single road.

The great leader Comrade Kim Il-song's extraordinary wisdom and keen insight are wellspring which elucidates the future of our people and gives faith and fighting spirit to them.

If the people are to plow through the arduous revolutionary road overflowing with faith, the course of the revolution must be clear. Our people have great ideology and an accurate line which elucidate the future road.

During the whole period of when he led the revolution and construction, the great leader Comrade Kim Il-song wholly elucidated the acute theoretical and practical problems raised by our era, and put forth an encyclopedic ideology and theory which all the people are proud of. From the profound philosophical principle to the guiding principle of the revolution and construction and struggle work in each field, the great leader gave sagacious ideological and theoretical explanation on the problems in the revolution and construction. Therefore, there has never been a time when there was ideological confusion among our people.

As such, it was possible for the respected and beloved leader to brilliantly elucidate the people's future struggle road. This is because he is possessed with extraordinary insight, quest for truth, infinite broad experience, and profound knowledge which no one has been able to possess.

The great leader's wisdom is a clairvoyant wisdom that can clearly perceive man's distant future which extends over several generations. Moreover, the leader's insight is an extraordinary insight in which he is able to most sagaciously elucidate the essence of a situation however complicated it is, and bring out the revolution's profound truth from the people's simple words.

The respected and beloved leader Comrade Kim Il-song's iron-willed intention and peerless courage are a driving force in making it possible for our people to vigorously display the heroic feat with invincible faith. Our people's persevering revolutionary spirit is that as the maneuver by the enemies of the revolution becomes stronger, they all the more make strenuous efforts to change misfortunes into fortunes. The source of this spirit lies in the respected and beloved leader's iron-willed intention.

Firm will and resoluteness which a leader [yongdoja] possesses appear all the more clearly when the revolution experiences serious crisis. In the sixties, seventies, eighties, and even recently, we experienced many difficult crises which may infringe upon the country's supreme interest.

During the arduous days when the world was apprehensive and the whole nation was watching attentively, the great leader smashed [chitpusida] the imperialists' and the reactionaries' antirevolutionary offensive to revolutionary offensive. He achieved this by having the firm determination that the fundamental interest of the revolution and the nation's sovereign right cannot be yielded to anyone. This was a decision which could be made only by the great leader [yongdoja]. His lifetime motto is the truth that there is nothing that cannot be achieved, and that anything can be defeated if it is in conformity with the popular masses' infinite strength.

Because of the respected and beloved leader's dauntless resolution and determination, it was possible for our people to be proud of the fact that they were courageous people able to heroically find a way out of any difficulties heroically without being fearful of any kind of enemy.

The respected and beloved leader Comrade Kim Il-song's extraordinary strategy and leadership art, who leads the revolution and construction to endless upsurges, are the water of life that made our people into heroic people who created miracles and feats overflowing with faith in the victory of the revolution.

During the whole period of the revolution and construction, the respected and beloved leader Comrade Kim Il-song always keenly weighed the prevailing situation and environment, presented appropriate slogans and lines at the right time, and vigorously organized and mobilized all the people with extraordinary organizing ability and driving force to carry out one purpose.

While firmly adhering to the overall work of the revolution and construction, the great leader showed amazing leadership capability in each sector and unit, and even for concrete work in each local areas. The great leader also showed magnificent leadership in skillfully unfolding the work in conformity with the prevailing environment while firmly adhering to the fundamental principle of the revolution. In addition he showed extraordinary driving force by blazing up a flame throughout the nation so that the feats of innovation can always spread high. These are important characters of leadership art possessed by the great leader.

The respected and beloved leader is possessed with extraordinary leadership art and is leading the revolution. Therefore, our people are of the firm faith that there are no fortresses that cannot be dominated. Also, in whatever difficult task, they are fighting overflowing with faith and fighting spirit.

The great leader Comrade Kim Il-song is possessed with extraordinary ideological and theoretical wisdom, iron-willed faith and intention, and refined leadership. Therefore, as long as he stands in the forefront of the revolution, the history of our people's revolutionary struggle will elucidate only as a history of victories and feats in the future.

During the past period our people regarded only the great leader Comrade Kim Il-song as the pillar of mind, and walked along the revolutionary road filled with glory by overcoming harsh trials and difficulties.

As we did in the past, we should continue to deeply treasure the firm faith and will for the party and the leader and fight vigorously.

The most noble duty of our people is to have absolute faith in and adhere to the great party and the leader's ideology and line to the end.

The great leader Comrade Kim Il-song's revolutionary ideology—the *chuche* idea—is an immortal revolutionary ideology which attains the highest peak in the history of mankind, and a banner of the ever-victorious socialist and communist cause of our times. Thanks to the great *chuche* idea and the *chuche* revolutionary line, the life of our revolution and dignity of *chuche* Korea have been adhered to, socialism of our own style has thrived and prospered, and our people's brilliant future is being guaranteed.

In today's international arena, all sorts of anti-popular tides hindering socialism are prevalent. Nonetheless, our people's will to ardently defend the purity of the socialist ideology can never be dampened. The *chuche* socialist ideology, which was created by the great leader and intensified and developed by the dear Comrade Kim Chong-il, has become our people's bone and flesh, and the firm motto of our people's work and life.

Our people are deeply realizing through experience that the life of socialism lies in the purity of ideology. Therefore, they are overflowing with the firm determination to never abandon the leader's ideology and line even if it means sacrificing their lives. All of our party members and working people will struggle invariably for the ultimate victory of *chuche* ideology by remembering this firm determination and will.

Resolutely defending and safeguarding the center of our revolution's unity and the center of leadership are the supreme tasks which our people should always adhere to as their lifeline. The resoluteness of the revolutionary fighters who are upholding the party and the leader with faith and will should be displayed in defending the unity and its center to the end.

Over a long period of time, our people waged an arduous struggle for the true unity of revolutionary ranks. During this period, we experienced innumerable rigorous trials and heart-breaking sacrifices. However, the center of unity was set forth as early as the dawn of the revolution. It has been highly upheld invariably until the nineties today. This is the greatest source of dignity and pride for the Korean communists and people.

Today, the cohesion and unity of the revolutionary ranks has reached its highest level. Millions of party members and five million youth who are trying to safeguard the party Central Committee headed by the respected and beloved leader Comrade Kim Il-song, with a death-defying resolution, are firmly united around our party. Also, the entire nation that regards and follows the leader as its revolutionary fate is also united. Their hearts beat with the indomitable spirit of the revolutionary predecessors who unhesitatingly mounted the scaffold shouting, "Long live the great *hanbyol*!" Their hearts also beat with the invincible spirit of the heroic fighters of the Fatherland Liberation War who implemented the great leader's order to advance by blocking the muzzles of the enemy's guns with their own bodies.

Our people will invariably bear in mind the promise of loyalty made before the leader [yongdoja], and firmly consolidate the cohesion and unity of our revolutionary ranks. In this course, we will make our utmost efforts to perform the duty of revolutionary fighters by sharing the fate of the leader [yongdoja].

Adding luster to the great revolutionary achievements accomplished by the party and the leader, generation after generation, is the consistent aspiration and will of all of our party members and working people. During the whole course of the revolutionary activities, the great leader Comrade Kim Il-song coped with all the difficulties that history can experience on his own, thus accomplishing immortal revolutionary achievements for our people's present happiness and bright future.

Having grown up to be revolutionaries in the great bosom of the respected and beloved leader, our people were able to flaunt the honor of being the most dignified and happy people. Adding luster to these achievements of the leader to the end is our noble duty and rightful obligation.

While others are tainted by the poison of revisionism, our people are not people who would ever abandon their revolutionary fidelity and follow the road of damaging the leader's achievements, forgetting their indebtedness to the leader. Our people—not only the present generation but the future generations as well—will firmly maintain the revolutionary achievements, experience, and revolutionary work methods accomplished by the great leader Comrade Kim Il-song, and brilliantly inherit and complete the *chuche* revolutionary cause.

For us to complete the *chuche* revolutionary cause generation to generation, we should cherish deep in our hearts the indomitable faith and will to trust and follow the dear leader Comrade Kim Chong-il to the end. The dear Comrade Kim Chong-il, who leads our people along the single road of victory with unequalled courage, iron-willed volition, and ever-victorious leadership, is the eternal guiding star of our revolution and the symbol of invincibility.

The purity of the firm faith and will of our people—who have entrusted all their destiny to the great leader Comrade Kim Il-song firmly believing in him for a long time since the pioneering period of the revolution—continues and are exerted even more highly on the road of upholding the dear leader Comrade Kim Chong-il. The fundamental core of our people's faith and will today is the absolute belief in regarding the dear leader Comrade Kim Chong-il as the pillar of their minds and following him. As the first generation of the Korean revolution protected and defended the great Comrade Hanbyol at the cost of their lives, so will we uphold the dear leader Comrade Kim Chong-il to the end as his fortress and shield.

Today, the overall situation is still strained, and we have to wage an arduous struggle. However, victory will belong to our people who follow the party and the leader

with firm faith and will. Our people are the dignified people who uphold the respected and beloved Comrade Kim Il-song, the most experienced leader of our times, and uphold the dear Comrade Kim Chong-il. They are the invincible people who are firmly united around the party and the leader in ideology, volition, morality, and fidelity.

The great ideology and leadership of the party and the leader beckon us to the single road of victory and glory. Our people will wage a vigorous advance overcoming all difficulties with overflowing faith and fighting spirit, praising the leader as the symbol of invincibility and the banner of struggle. Let us all firmly unite around the party Central Committee headed by the respected and beloved Comrade Kim Il-song and wage a more vigorous struggle for the ultimate victory of the *chuche* revolutionary cause and the endless growth and prosperity of the socialist fatherland.

KCNA Reviews 22 Apr Pyongyang Press

SK2204054193 *Pyongyang KCNA in English*
0457 GMT 22 Apr 93

[Press review]

[Text] Pyongyang, April 22 (KCNA)—Papers here today frontpage a photo-accompanied report that President Kim Il-song of the Democratic People's Republic of Korea received His Royal Highness Samdech Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia.

It is reported in the press that an unveiling ceremony of the signboard "Kim Chaek University of Technology" personally written by the great leader President Kim Il-song took place at the new building of the university.

Appearing in the press are messages of greetings sent to President Kim Il-song from foreign party and state leaders on his 81st birthday.

NODONG SINMUN carries a letter of thanks to the dear leader Comrade Kim Chong-il from the participants in the 11th April Spring Friendship Art Festival.

The press reports that "National Reunification Prize" was awarded to revolutionary martyr Comrade Choe Il-chon and his remains were interred in the Patriotic Martyrs' Cemetery.

Foreign delegations sent letters of thanks to Comrade Kim Chong-il, leaving Korea, reports NODONG SINMUN.

According to the paper, April 15 was celebrated in different countries.

The paper carries a story telling that Comrade Kim Chong-il has guided the People's Army to be the army of the party and the revolutionary army unfailingly loyal to the party and the leader.

173 political parties the world over have signed the Pyongyang declaration "Let Us Defend and Advance the Cause of Socialism", says the paper.

Econews of the press includes a report about proper management of the cold-bed rice-seedlings at cooperative farms.

Appearing in NODONG SINMUN is news of a national meeting of trade union propagandists.

Given in the press are accounts of the sojourn in Korea of the general secretary of the Congolese Socialist Party and the chairman of the Mauritius Communist Party.

Conveyed in the press are home and foreign public voices supporting the 10-point programme of great unity of the whole nation.

NODONG SINMUN runs an article telling that the afore-said programme is a brilliant embodiment of the great magnanimous politics and benevolent politics.

The press gives the gist of the answer of a spokesman for the DPRK Foreign Ministry to a KCNA question on the willingness to have DPRK-U.S. high-level talks expressed by a spokesman for the U.S. State Department.

Chon Pong-yu who defected to the North from the South told a reporter that the North was a society where the people were leading a true life.

The press informs the readers that the U.S. imperialists and the South Korean puppets continued joint air war exercises against the North.

Under the headline "Any Threat or Strong-arm Act Cannot Work With Korean People" NODONG SINMUN carries news that political parties and public organizations of different countries denounced the demand of the United States and the International Atomic Energy Agency for a "special inspection" of the DPRK.

It is reported in the paper that a joint communique of the seminar of Korean and Cuban scholars on the present time and socialism was published.

"The United States Is Very One That Increases International Nuclear Threat" is the title of a NODONG SINMUN article.

*** DPRK-PRC Relations 'Quickly' Worsening**

*932C0099A Seoul CHUNGANG ILBO in Korean
5 Mar 93 p 2*

[Text] Hong Kong, (UPI)—Since the Peoples Republic of China established diplomatic relations with South Korea, the North Korea-PRC relations have rapidly been cooled off through events such as political conflicts, China's demand for hard currencies in trade settlement between the two countries and cancellation of the scheduled visit to China by Kim Chong-il, general secretary of the Korean Workers Party.

On the 4th of March, (KYONGPO [Journal Mirror]), a monthly news magazine published in Hong Kong specializing in Chinese affairs, reported that China had adopted its policy concerning North and South Korea not to expand its politico-military relations with North Korea from current level and to support negotiations for peaceful unification of the Korean peninsula and the dialogue between the north and the south.

The magazine in its latest issue (dated the 5th of March) states that Chinese Premier Li Peng, by announcing the aforementioned, clarified the basic positions of Chinese policy toward the Korean peninsula following establishment of the diplomatic relations between South Korea and China, during his appearance at a diplomatic conference in early February this year.

Citing an authoritative source in Beijing, the magazine reports that the basic positions of China's policy toward the Korean peninsula, clarified by Li Peng, are, in summary, as follows:

1. China would not initiate any new politico-military consultation with North Korea and would disavow any type of secret contact on such matters,
2. China disapproves of a further tension between North and South Korea created by their ideological differences,
3. China supports denuclearization of the Korean peninsula and opposes development of nuclear weapons and secret deployment of foreign nuclear weapons in the region,
4. China supports the North-South dialogue and negotiations for peaceful unification between North and South Korea,
5. China would not provide North Korea with any sophisticated military equipment and, at the same time, opposes any other country furnishing South Korea with any sophisticated military equipment,
6. Development of cooperative and friendly relations between China and South Korea is one of China's principal foreign policies as such a relationship is conducive to the peace in Asia,
7. China concludes that, at the present time, South Korea does neither deem it probable nor possess any reason to attack the Democratic Peoples Republic of Korea militarily,
8. China would like to see restraint, on the part of the Democratic Peoples Republic of Korea, of conducts damaging the China-North Korea relations and that North Korea continue to maintain its longstanding friendly relations with China.

Regarding to item 8 of the aforestated basic positions of China's policy toward the Korean peninsula clarified by Li Peng, (KYONGPO) elaborates that it was meant to be a warning against North Korea about its malicious attacks criticizing Chinese leader at highest level such as

Deng Xiaoping since China's establishment of the South Korea-China diplomatic relations, declaring that any furtherance of such conduct would worsen the relationship between China and North Korea; and demanding that North Korea recant the criticism.

In the meantime, North Korea issued a memorandum of protest, demanded nullification of the "North Korea-China Friendship and Cooperation Treaty and threatened that it would not preclude the recall of its ambassador to Beijing, reported (KYONGPO).

* DPRK Activities in Kamchatka Noted

932C0100A Seoul SISA JOURNAL in Korean 4 Mar 93
p 56

[Text] Kamchatka Peninsula, opened to foreign trades in July of 1992, is the place where the Japanese and the U.S. Pacific Coast based business enterprises have shown enormous interests for its inordinately high potential for development. Market economy is widely practiced and there are seven Russo-Japanese joint ventures in operation, there. One thing odd, though, is the fact that there is a total absence of the South Korean capital venture there, despite that the South Korean capital venture in Russian Far East is so extensive as to exceed that of Japan. The reason for this is that North Korea is in complete control of Kamchatka and it impedes the South Korean ventures there.

(Kuim Industry, Ltd.), the largest joint venture in Kamchatka, its chairman being B. (Gagarin), was created with a North Korean capital of \$10,000 in Petropavlovsk-Kamchatskiy, the capital city of Kamchatka region, two years ago. This company primarily engages in fishery and marine products processing but secondarily in banking and trade, as well. It also opened the East Asia Medical Center in Kamchatka where the North Korean physicians practice.

Fishing fleet belonging to (Kuim Industry) carry out their fishing operation near the shores of Kamchatka; in reality, only the North Korean vessels operate for fishing. Although illegal fishing parties from Japan, South Korea, and Taiwan, if arrested, are turned to the court for trial and heavily fined, those from North Korea are released at once even without paying any fines. Admiral Tukachenko, chief of the (coastal security bureau of the boarder patrol force) said that "toleration of the illegal North Korean fishing operation appeared to be the result of instructions from a higher authority within the (boarder patrol force)." As chief (Kojerief) of the Kamchatka regional government security bureau sees it, it appears that there has been a conspiracy between (Kuim Industry) and the North Korean Mafia secretly operating in Kamchatka.

The North Korean Mafia, with the largest underground organization in Kamchatka, terrorizes its citizens. For three years from 1948, the old Soviet Union, having signed a labor accord with North Korea in order to solve the labor shortage in Kamchatka, brought 10,000 North

Koreans to Kamchatka and placed them in its fishing industrial facilities. Of those, 70 percent had since returned to North Korea but the remainder had formed a strong North Korean community there. They uphold the North Korean culture and customs and observe President Kim Il-song's birthday with a grand celebration. North Korean delegations regularly visit Kamchatka and even military delegations from North Korea tour the area and confer with the area North Korean leaders. They have mostly been transient meetings but some have resulted in organizing a Mafia force, selling Japanese used cars and marine products. Chief (Kojerief) said that "members of the North Korean Mafia were estimated to number about 1,000 and suspected to conduct illegal businesses." North Korean Mafia has lobbied the regional government through joint ventures and the (North Korean Community Association) and has gained beneficial results such as expansion of the North Korean fishing operation and reduction and exemption of taxes.

It is a well acknowledged fact that (Kuim Industry) is under direct control of the North Korean government. According to certain company operatives, the company has been increasing its transfer of funds overseas to a third country since 1992. Also, certain amount of foreign currencies from Pyonyang have been channelled through this company into Swiss and Australian banks. According to one source, most of the funds from Pyonyang are said to be those of the Korean Workers Party. Overseas fund transfer in Russia is relatively free of restriction, tax exempt and leaves few traces. It is said that a joint venture in Russia is selected for this purpose of fund transfer as opposed to one in Japan where an exposure of the type of transaction is a strong possibility.

In the Russian Far East, the North Korean joint ventures are located not only in Kamchatka but also in various other areas such as Khabarovsk, Vlativostok and Nachodka, and it is said that they are increasing overseas fund transfers to a third country following instructions from home government. One source in Kamchatka observes that Kim Il-song/Kim Chong-il regime is beginning to withdraw and transfer foreign currencies in preparation for "the fall of Pyonyang." The boss of the Russian counterpart to the North Korean Mafia Mr. (Anatoli Siadhin) confirms the validity of this intelligence.

It is possible that North Korea would collapse at once as the result of uprising in all regions of the country following the death of President Kim Il-song. A North Korean in Kamchatka critical of Kim Il-song rule said that "there were two luxury houses with a private airstrip being built in a North Korean-Chinese boarder area." A reform minded Russian newspaper (Comsomolokskaya Pravda) has also reported that those houses were "to be used for their escape route in case of an emergency for Kim Il-song/Kim Chong-il." There has been an intelligence report that top secret documents in North Korean archives are being destroyed following the orders from the party leadership. This is because President Kim

Il-sung wants to have some of his past, which he does not wish to be known, kept secret such as the North Korean surprise attack on the south that started the Korean war and the mass purges within the Korean Workers Party of Yenan, Soviet and Nationalist factions.

If and when the father-and-son of the Kim's exile, their destination would be China. An emergency escape to China is possible because it is only an hour's flight by a helicopter from Pyongyang to a Chinese territorial land. It is surmised that the funds secretly amassed overseas would be used for their living expenses in exile and for the "liberation of the fatherland campaign."

South Korea

Vice Foreign Minister, U.S. Under Secretary Hold Talks

SK2204054793 Seoul YONHAP in English 0535 GMT
22 Apr 93

[Text] Seoul, April 22 (YONHAP)—South Korea told the United States on Thursday that it did not oppose direct contact between Washington and Pyongyang if it would help solve the North Korean nuclear problem. Vice Foreign Minister Hong Sun-yong delivered the message to Undersecretary of State for Political Affairs Peter Tarnoff in talks that Korean officials said covered the nuclear issue, U.S. President Bill Clinton's visit to Seoul and bilateral trade matters.

Tarnoff arrived Wednesday from Tokyo, where he attended the G-7 senior officials meeting. Hong briefed Tarnoff on Wednesday's South Korea-China foreign ministers' meeting and agreed with him that China's constructive role is important in persuading North Korea, the officials said.

He restated that Seoul did not oppose direct dialogue with North Korea, but Hong and Tarnoff agreed that the matter currently stands between Pyongyang and the international community, not between Seoul and Pyongyang or Pyongyang and Washington. The two also agreed that U.N. sanctions on North Korea were inevitable unless Pyongyang moved positively to solve the nuclear problem, the officials said.

Tarnoff said that he expected Clinton to decide soon the date of his Seoul visit, adding that a summit would be helpful in maintaining close consultation between the two countries. A date had not been set because of Clinton's domestic schedule, Tarnoff said. The undersecretary asked for greater efforts in trade matters, saying there was much room to expand bilateral trade and investment, the officials said.

Spokesman: U.S. Official To Lead DPRK Talks

SK2204094493 Seoul YONHAP in English 0934 GMT
22 April 93

[Text] Seoul, April 22 (YONHAP)—Talks between senior officials of Washington and Pyongyang to resolve

the North Korean nuclear problem will start as soon U.S. Undersecretary of State for Political Affairs Peter Tarnoff returns home from a three-day visit to Seoul, South Korean presidential spokesman Yi Kyung-jae said Thursday. While paying a courtesy call on President Kim Yong-sam Thursday, Tarnoff said that he would represent Washington in the high-level talks, Yi said.

Tarnoff arrived here Wednesday to discuss joint measures between the two allies over the North Korean nuclear issue after attending a G-7 senior officials' meeting in Tokyo. Yi did not reveal the date of the meeting but indicated that Washington was likely to get the show on the road as soon as Tarnoff returned home. He said, "negotiations are now under way and, as far as I know, the time is getting ripe."

President Kim pins much hope on the U.S.-North Korea talks as he doesn't expect China to be active enough in persuading Pyongyang, Yi said.

"I'm very concerned about the North Korean nuclear development because it has immediate effect on our lives," Kim was quoted as telling Tarnoff. He affirmed that South Korea would not permit economic cooperations or visits to the North by businessmen unless the issue was clarified.

Tarnoff was known to have said that if North Korea fails to settle the nuclear issue before June 12, when its withdrawal from the Nuclear Nonproliferation Treaty becomes effective, the United Nations is likely to make its second resolution to call for economic sanctions against North Korea. The South Korean Government reportedly made clear of its official position that a Washington-Pyongyang high-level meeting was desirable to resolve the nuclear headache through the recent U.S. visit by Foreign Minister Han Sung-chu and Tarnoff's visit to Seoul.

Tarnoff assured of continued consultation with Seoul officials on strategies during his talks with Pyongyang and promised to visit South Korea to brief on the meeting results, presidential aides said. Kim and he agreed that the recent rumors engineered by Pyongyang that it lacked the ability to develop nuclear were aimed at causing confusion in the South.

Tarnoff, informed sources said, ruled out the possibility of a regular U.S.-North Korea contact in the future and stressed that Washington and Pyongyang were meeting just for the nuclear agenda and nothing more. The government is said to have concluded that it has no choice but to support United Nations sanctions if North Korea does not return to the NPT and accept special international nuclear inspection.

It notified China of the plan for U.S.-North Korea high-level contact during Wednesday's meeting of Han and Chinese Foreign Minister Qian Qichen in Bangkok. Han requested China's special efforts to clear the suspicion over nuclear development in northern Korea.

Tarnoff also met with National Unification Minister Han Wan-sang, Defense Minister Kwon Yong-hae, and Vice Foreign Minister Hong Sun-yong on Thursday and coordinated bilateral positions on the North Korean nuclear problem. Tarnoff's predecessor, Arnold Kanter, met with Kim Yong-sun, director of the North Korean Worker's Party's International Department, in New York in January last year.

Trade Minister Discusses Meeting With USTR

SK2104120793 Seoul YONHAP in English 1034 GMT 21 Apr 93

[Text] Seoul, April 21 (YONHAP)—Trade, Industry and Energy Minister Kim Chul-su said on Wednesday that the United States is insisting on the early disposal of pirate copies of voice and video works produced before 1987. While meeting with reporters upon his return home from a visit to Washington, Minister Kim said the issue of intellectual property rights was one of the hottest questions discussed with U.S. trade officials during his stay there.

He said that U.S. Trade Representative [USTR] Mickey Kantor wanted that all pirate disk and video work copies produced before 1987 be disposed of in three months. The minister said that he told Kantor that it would take about six months to dispose of such copies which he said would total some 1.5 million pieces. But, Kantor insisted on three months, he said.

Minister Kim said that also in Washington he expressed Korea's support for the idea of a free trade and investment agreement which the U.S. proposed recently to the member countries of the Asia and Pacific Economic Cooperation (APEC). As to the issue of creating a free investment area which U.S. business circles recommended, Minister Kim said the creation of such an industrial estate should be promoted by all means because he said inducement of high-tech industries into the country would have much favorable spill-over effect on the domestic industry.

U.S. Corrects Antidumping Margins on DRAM's

SK2204050793 Seoul YONHAP in English 0056 GMT 22 Apr 93

[Text] Seoul, April 22 (YONHAP)—U.S. anti-dumping margins on some South Korean semiconductors, set in a final determination last month, will be raised slightly due to an accounting mistake by the U.S. Commerce Department, industry sources said Thursday. The corrected figures are 0.82 percent on Samsung Electronics Co., up 0.08 percentage points from 0.74 percent, and 11.45 percent on Hyundai Electronics Co., up 4.26 percentage points from 7.19 percent. The 4.97-percent margin on Goldstar Electron Co. is unchanged.

The Commerce Department had notified the lawyers of the companies of the corrections, initiated by Micro Technology Co. of the United States, the sources said.

The low dumping margins were a great relief to the companies, accused of selling their DRAM (Dynamic Random Access Memory) chips at margins of between 87.44 percent and 5.99 percent in a preliminary ruling last October. But the new dumping estimation on Hyundai is up 5.46 percent from its preliminary rate.

The companies await their eleventh-hour hearing of the U.S. International Trade Commission [ITC] on Friday. The six-member panel will decide whether Korean DRAM exports were a threat or did harm to American industry. With a negative ruling by the ITC, the U.S. Customs Service will keep cash or bonds on deposit equal to the dumping margins.

Rate Change Not To Affect Exports

SK2204082193 Seoul YONHAP in English 0644 GMT 22 Apr 93

[Text] Seoul, April 22 (YONHAP)—Revision of dumping rates on two South Korean semiconductor manufacturers by the U.S. Commerce Department will have little effect on exports, officials of the Trade, Industry and Resources Ministry said Thursday. Washington has changed the final dumping margins on Samsung Electronics Co. and Hyundai Electronics Co. just a day before the International Trade Commission holds a hearing on the matter.

Samsung faces anti-dumping tariffs of 0.82 percent rather than 0.74 percent and Hyundai of 11.45 percent instead of 7.19 percent, set at the final ruling on March 17, if the ITC upholds the commerce department's charge of unfair pricing on the U.S. market. Goldstar Electron Co. remains saddled with 4.97 percent.

The ministry officials did not detail the U.S. miscalculations, but doubts are said to have been raised by Micron Technology Co. and later recognized as mistakes in depreciation accounting. The ministry would make an official protest over the mistake to its U.S. counterpart as soon as a legal analysis had been finished, the officials said.

New Envoys to 'Four Powers' Discuss Seoul Policy

SK2204090793 Seoul CHOSON ILBO in Korean 17 Apr 93 pp 4-5

["Roundtable talk" with newly appointed Han Sung-su, ambassador to the United States; Kong No-myong, ambassador to Japan; Hwang Pyong-tae, ambassador to the PRC, and Kim Sok-kyu, ambassador to Russia, chaired by Kang Chon-sok, senior correspondent for political affairs, in the CHOSON ILBO editorial room on 14 April]

[Excerpts] [passage omitted] [Correspondent] I congratulate you on your new assignments as ambassadors to the four big countries that constitute the backbone for our foreign policy. Will you explain the current issues in each country and their future prospects?

[Kong No-myong] With the inauguration of the new government, we should newly develop relations with Japan. Although it may be an outdated expression, ROK-Japan relations should be developed in a forward-looking manner. This is my basic position in starting my new post.

The problem which the ROK and Japan should jointly cope with at present is North Korea's nuclear issue. As traditionally impending questions, I would like to point out the issue of liquidating the past and the textbook issue. These issues are still pending due to differences in viewing the history between the governments and peoples of two countries. In the economic domain, I like to point out the aggravated trade deficit as a problem. Since this issue is related to economic structure to a great extent, it appears that its basic solution in a short period of time would not be possible. We should approach this problem with a long-range view based on the reorganization of our economic structure, technological innovations and economic development. [passage omitted]

[Kim Sok-kyu] Russia's political situation is in a very difficult situation. In the course of introducing democracy and market economy, the people's complaints have been expressed over ambiguous success in the speed and method of reform. A national referendum which will serve as a watershed for direction in Russia's reform will be held on 25 April. In view of Yeltsin's increasing popularity recently, the majority's support would be feasible. However, the future does not seem to be always smooth. The execution of economic loans amounting to \$3 billion remains as an impending question between the ROK and Russia. I will adhere to a position that we will receive what we should and we will give what we should. As soon as Russia pays the interest for bank loans with aluminum, the remaining loans of \$3.3 hundred million for consumer goods will be executed. [passage omitted] I will make all efforts to make Russia stand as our supporter in the course of heading for reunification of the Korean peninsula.

[Hwang Pyong-tae] [passage omitted] In the domain of foreign relations, the era of full-scale diplomatic relations with four big countries is now open for us. We regarded Russia and China in the past as partners merely for economic exchanges rather than political dialogue. However, as shown in the case of North Korea's nuclear issue, we should now exchange political dialogue with them. In particular, prompted by North Korea's nuclear issue, China's importance is increasing more than ever before. Some people talk about equidistant diplomacy with the United States and with China. However, this issue should be considered from the viewpoint that we should approach these four big powers in a balanced manner for the national interest.

The North-South issue has been handled simply on the basis of our policy on the North in the past, instead of overall diplomatic policies. With North Korea's nuclear issue as an occasion, the North-South issue is now turned over to a broad category of diplomacy. Therefore, I think

that our new diplomatic paradigm is to expand our diplomatic horizon, which has been centered on the United States and Japan, into political diplomacy, seeking all of these four great powers as its partners. [passage omitted]

[Han Sung-su] The recent editorial by THE NEW YORK TIMES highly appraised President Kim's politics. The affirmative evaluation of politics and social reform in Korea by this paper, known as liberal in the United States, itself illustrates good atmosphere between the ROK and the United States. As for THE security domain, the cooperative system between our two countries is relatively satisfactory and systematic. Joint efforts among the ROK, the United States, and Japan, and, in particular, mutual cooperation between the ROK and the United States is desired for dealing with North Korea's nuclear issue.

Both ROK and U.S. governments are implementing the policy of revitalizing the economy. President Clinton raised the importance of trade even to that of security. I foresee a number of trade frictions in the future between the ROK and the United States. The issue is that trust should be created in this course and only through this can genuine partnership be possible. I will make our position clear as to what we can give and what we cannot. I will also make all efforts to make Americans, including those from the cultural, educational, and press domains, have a new awareness of Korea.

[Correspondent] What are the factors giving influence on continuity and changes in diplomacy with the four powers from the viewpoint of our national strategy? You may point out those of the United States and Japan first.

[Kong] [passage omitted] We should have a sense of balance based on the reality and reason to seek national interest. If former ROK-Japan relations are said to have been advancing along the road of impulsive emotion, now is the time for us to ponder what will be the true national interests. While realizing the weight of historic lessons, we should also pay attention to the fact that the trade between our two countries amounts to \$16 billion and that 2.5 million people visit each other each year. Thus, we should calmly judge as to what our substantive interest is. This will serve as a basis for the new ROK-Japan relations. [passage omitted]

[Correspondent] For the achievement of our national goals, how should our diplomacy with these four big powers should be reorganized and to what point should priority be given?

[Kong] The important elements for peace and stability in Northeast Asia, where the Korean peninsula is located, are none other than the North and the South and the four big powers. Let us review the reason why the important axis in our diplomacy is the United States and Japan. If the United States withdraws itself from this area, the struggle for hegemonism will be triggered. At present, China is showing a very sensitive reaction to Japan becoming a big military power while Japan is sensitive

over China's increasing naval forces. All this is related to such reason. Under such a situation in this area, the United States' presence is necessary not only as an "equilibrium force" but also as a war deterrence. Therefore, based on the need that the ROK-U.S. security system should be continually maintained, we should respond with interest to the Asia-Pacific security system which the Clinton government is affirmatively reviewing. Japan's role in this system becomes clear in view of its close and deep economic relations with the ROK. Economic power serves as a factor supporting social stability and security. Therefore, our relations with the United States and Japan should be the axis and our relations with Russia and China should be supplementary relations. Needless to say, we should hold political dialogue with China and Russia in addition to dialogue as an economic partner.

[Hwang] Our diplomacy was initiated as a member of the Western sphere, and in particular, amid relations with the United States. [passage omitted] Now, we need the "art of diplomacy." At the same time, we should seek a "common denominator" with China whose political importance has rapidly increased because of North Korea's nuclear issue, upon which our national destiny would depend.

[Kim] I am not opposed to the need to assume the United States and Japan as axes in pushing ahead with our overall diplomacy with the big four powers and to deal with Russia and China as political partners as an extension of such diplomacy. [passage omitted] Therefore, the relations with the United States and Japan are important. However, an attitude of striving to open a new appropriate channel for the solution of problems, instead of merely measuring the weight of diplomacy, is also desired.

[Correspondent] Whenever a new government was inaugurated, summit diplomacy drew people's attention in addition to ordinary diplomacy. What is your prospect for ROK-U.S. summit talks?

[Han] President Kim expressed the intention to refrain from holding summit talks which are intended merely for a meeting. This principle is also applied to the United States. Therefore, I anticipate very natural ROK-U.S. summit talks being held in July when President Clinton attends the G-7 meeting in Tokyo, although no concrete plan has been finalized.

[Hwang] When President No Tae-u visited China last year, it was agreed that China's head of state will visit the ROK. The new head of state in China is Jiang Zemin, replacing Yang Shangkun. I think that this issue will be settled during the ROK-PRC foreign ministers' talks slated for April and May. I hope that ROK-PRC summit talks be realized this year. I believe that Jiang Zemin's visit to the ROK will be a very important occasion not only for developing ROK-PRC relations, but also for removing distrust between the two sides.

[Kim] When Kim Yong-sam visited Russia in 1989, he forged special relations with Russia. I intend to realize President Kim's visit to Russia during my term of office.

[Correspondent] Cooperation with the four powers is of decisive importance for dealing with North Korea's nuclear issue. Some people expressed concerns with the possible wavering in the United States' trust in our policy toward the North. Will you explain about future prospects on this issue?

[Kong] The rumor that there is a difference in understanding between the ROK and the United States, particularly after the new governments were inaugurated, is totally groundless. Although a number of important officials in the new U.S. Government were replaced, the important figures and bureaucrats handling the policy on the Korean peninsula still hold their posts.

Of all standing committee members in the UN Security Council, only China is showing a different position. However, its difference is not related to the principle for the denuclearization of the Korean peninsula and for the prevention of war. This difference is concerned with the method.

North Korea consistently demanded dialogue with the United States. This suggests the possibility of a solution of the problem. Since North Korea's nuclear issue was transferred to the UN Security Council, we should strive to solve the issue through international cooperation.

President Kim's Son Returns From U.S., Japan Trip

SK2104062293 Seoul YONHAP in English 0301 GMT
21 Apr 93

[Text] Seoul, April 21 (YONHAP)—Kim Hyon-chol, second son of President Kim Yong-sam, returned Monday from a two-week trip to the United States and Japan. He left on April 8 amid rumors he might have influenced his father's choices of some senior officials and presidential secretaries.

PRC Foreign Minister Discusses DPRK Nuclear Issue

SK2104135693 Seoul KBS-1 Television Network in
Korean 1200 GMT 21 Apr 93

[Text] Foreign Minister Han Sung-chu today held talks with Chinese Foreign Minister Qian Qichen in Bangkok, Thailand and had an in-depth discussion on the joint measures to help resolve the North Korean nuclear issue. Correspondent Yi Kang-tok reports from Bangkok on the ROK-PRC foreign ministers' talks held today:

[Yi Kang-tok] ROK Foreign Minister Han Sung-chu and Chinese Foreign Minister Qian Qichen at today's talks agreed that all the states concerned, including the ROK and China, should make all diplomatic efforts to resolve

the North Korean nuclear issue. The foreign ministers of the two countries also agreed to make joint efforts to persuade North Korea.

[Begin Han Sung-chu recording] We were able to confirm that China is making efforts on its part to help resolve this issue, with due concerns. This is not possible without meeting face to face. The two of us understood that the ROK and China should make joint efforts to help resolve the issue. [end recording]

[Yi Kang-tok] Minister Han stressed at the talks today that the ROK Government has a firm will to resolve the North Korean nuclear issue through dialogue and that China's support is necessary for our efforts to bear fruit. Foreign Minister Qian Qichen said that China supports the denuclearization of the Korean peninsula and the stability on the Korean peninsula and stressed that under the present circumstances, diplomatic efforts to solve the problem is more important than cornering North Korea, according to Foreign Minister Han Sung-chu.

Meanwhile, Foreign Minister Han Sung-chu requested Chinese President Jiang Zemin to visit our country this year. Foreign Minister Qian Qichen promised that he will make an official visit to our country toward the end of May. [chon ki-chim oegyo pujangun taumtal hasune urinararul kongsik pangmun hagetta to yaksokhaessumnida]

DPRK Cancels Flights to Bangkok After Maiden Flight

SK2204011193 Seoul YONHAP in English 0046 GMT 22 Apr 93

[Text] Bangkok, April 22 (YONHAP)—Pyongyang's Korea Civil Aviation Co. [KCAC] has stopped its weekly service to Bangkok after one flight. Industry sources said Thursday that the reason was shortages of customers and fuel. Just 10 Thai tourists were on the maiden flight to Pyongyang.

A Thai travel agent selling one-week tours to North Korea with the airline expressed shock that KCAC had halted the service so quickly. A KCAC airliner arrived on April 5 with 40 passengers and crew, but then the Monday flights were canceled.

Paper Outlines 5-Year Economic Plan, Part One

SK2004080393 Seoul THE KOREA HERALD in English 20 Apr 93 pp 8, 10

[First half of the government outline of the new five-year economic plan]

[Text] I. Taxation

A. Direct tax

a) Personal income tax

—Expand tax base to increase tax revenue and ensure fairer tax burden.

—Establish a plan for comprehensive taxation of income from interests, dividends and property transfer.

—Readjust downward the maximum tax rate for global income tax, now set at 50 percent.

b) Corporate tax

—Reduce tax exemption level and tax rate at the same time, examining the effects of each move to maintain total revenue.

—Avoid double taxation on dividend income from applying income tax and corporate tax simultaneously.

—Improve tax system in such ways as to induce more direct financing through stock and bond issuance by companies rather than through external borrowings.

—Change special asset depreciation and asset revaluation systems in a more rational way.

c) Inheritance and gift tax

—Establish a thorough monitoring system over the transfer of financial assets of wealthy people.

—Strengthen surveillance of assets contributed to public foundations.

→) Land tax

—Simplify the present complex taxation systems into an aggregate land tax and convert tax base to official quotation of the Home Ministry.

—Heavily tax excessively increased value of land.

B. Indirect tax

a) Value added tax

—Reduce tax credits on a more selective basis.

—Reexamine the cases eligible for VAT exemption and increase taxable sources.

b) Special excise tax

—Lower tax rates for popularized items to help facilitate normal distribution of goods.

—Raise tax rates for petroleum products and narrow the wide gap among tax rates on different oil derivatives.

—Strengthen taxation on extravagant entertainment businesses.

c) Automobile tax

—Increase tax burden on the use of cars, while reducing them on acquisition and possession.

d) Securities transaction tax

—Gradually introduce comprehensive tax on profits from stock transaction.

C. Tax reduction and exemption

a) Minimize tax credits for specific industries except for inevitable cases.

b) Replace the provisional Law on Tax Reduction and Exemption with a new incentive system.

c) Make public the exact amounts of reduced and exempted taxes to use as a basis of overall fiscal policy.

D. Tax administration

a) Strictly limit the VAT exceptions and tighten controls on business income and capital gains, as well as inheritance and gift.

b) Induce correct reporting of taxable income by preventing evasions and omissions.

c) Facilitate the computerization of tax administration and develop data base on individuals and businesses.

E. Tariff

a) Implement the second-stage tariff reduction program (1989-1994) as scheduled to lower rates to the level of industrial countries.

b) Actively participate in multi-lateral and bilateral tariff negotiations.

c) Maintain tariff credits for research and development and environmental protection, while phasing them out for target industries.

d) Strengthen industrial relief functions through effective use of antidumping and countervailing duty systems.

II. Fiscal policy

A. Government expenditure

a) Fixed expenditure

—Reduce the portion of personnel and organizational costs, which accounts for one-third of government budget.

—Cut expenditure on general administration, defense and grants to local governments.

—Downsize disbursements for income compensation in preference of productive purposes.

—Readjust the contribution of state treasury to help finance existing welfare system.

—Reduce losses stemming from excessive grain stockpiles and use the saved resources to develop farming and fishing villages.

b) Extensive support to future nation-building

—Allot more resources to social infrastructure, technology, manpower and industrial restructuring.

—Realign the priority of existing public project programs on the basis of long-term perspective and effects.

—Conduct thorough preliminary studies before launching large projects.

B. Raise the function and size of government financing

—Expand the size of state financing more rapidly than the growth of GNP in the next five years.

—Increase tax revenue while pursuing taxational fairness and boosting nontaxational revenue.

—Reallocate surpluses from public project expenses to government financing to help meet the demand for previous policy loans.

C. Budgetary system

—Streamline or merge various special accounts and funds with similar purposes.

—change the budgetary structure in ways to enhance self-regulation and flexibility of various government agencies.

—Unify varied policy loans into a single support system.

—Switch from annual fiscal programming to a five-year program for consistent pursuit of government objectives.

—Set up concrete criteria and procedures for selecting bidders for large, government projects.

D. Harmonize the role of central and provincial governments

a) Improve support system for local governments.

b) Introduce regional development planning system on a long-term basis

E. Enhancement of budget efficiency

a) Determine the right timing for the launching of large projects so as not to be overlapped with major ongoing projects.

b) Provide budgetary supports with greater emphasis on the project's results.

III. Financial Industry

A. Self-regulatory management of financial institutions

- a) Allow more freedom in selecting the head of commercial banks.
- b) Deregulate capital increase of financial institutions.
- c) Devise ways to dispose of nonperforming loans.

B. Self-regulatory asset management

- a) Phase out policy loans for commercial banks and instead expand the role of state-run banks.
- b) Switch from direct monetary control system to indirect pattern through open market operation.
- c) Credit control reform
 - Relax excessive regulation on businesses.
 - Ease financial concentration and improve the corporate financial structure.
 - Replace the present credit control system as a means of easing financial concentration and curbing real estate speculation with toughened implementation of antitrust rule and taxation.

C. Deregulation of financial instruments

- a) Relax competition-restrictive rules on existing financial instruments.
- b) Lower barriers on business domains of different financial institutions and allow more freedom in introducing new instruments.

D. Supplementing interest rate deregulation program

- a) Work out a revised supplementary plan of the third-stage financial market opening program.
- b) Deregulate all lending rates and deposit rates with maturity of two years or more in the second-state deregulation in 1993.
- c) Deregulate all interest rates except for policy loan rates and short-term deposit rate except for demand deposits in the third-stage program in 1994-1996 period.

E. Effective monetary and credit policy

- a) Introduce gradually the indirect monetary control policy.
 - Leave the issuance of monetary bonds to market forces and reinvigorate open market operations.
 - Reduce gradually the automatic rediscounting and strengthen the central bank's monetary control function.
 - Convert the source of policy loans from the central bank to other state-run banks.

b) Improvement of monetary and credit policy

- Devise more effective key money supply indicator.
- Put more emphasis on interest rate and foreign exchange rate as median goals of monetary control policy.
- Revitalize the operation of short-term money markets.

F. Improving financial infrastructures

- a) Developing credit rating and accounting system
 - Utilize official credit rating as the basis of financial transaction.
 - Improve corporate accounting system and practices to international standards.
- b) Advancing financial markets
 - Foster bond markets and financial future markets.

G. Advancing structure of financial industry

- a) Induce specialization and aggrandizement of financial institutions.
- b) Rearrange the business domains of financial institutions.
- c) Improve the ownership pattern of financial institutions.
- d) Reorganize state-run banks to better conduct government financing.

H. Improving financial health of financial institutions

- a) Strengthen supervisory function of financial institutions.
- b) Better protect consumers from possible financial deterioration of financial institutions.

I. Financial internationalization

- a) Foreign exchange liberalization
 - Gradually relax regulations on foreign exchange concentration and foreign exchange concentration and foreign currency position at banks.
 - Promote the internationalization of won currency, in consideration of progress in foreign currency market development and capital transaction liberalization.
 - Progress toward complete floating exchange rate system.
- b) Capital market liberalization

- Deregulate direct investments abroad.
- Relax controls on companies' introduction and management of foreign capital.
- Loosen controls on offshore financing and their uses.

J. Real name financial transaction

- a) Create conditions for early introduction.
- b) Work out detailed formula for early implementation.

Paper Outlines 5-Year Economic Plan, Part. Two

SK2104054093 Seoul THE KOREA HERALD in English 21 Apr 93 pp 8, 9

[Remaining half of the government outline of the new five-year economic plan]

[Text] IV. Expanding Growth Potential

A. Industrial development strategy

a) Push for industrial development strategies centering on the manufacturing sector

- Improve competitive conditions for the manufacturing sector, including capital and personnel flow, to an international level.
- Provide marketing, information and other industries related to manufacturing with the equivalent of government support given to the manufacturing sector.
- Advance industrial structure to an international level.
- Establish mid- and long-term development plans.
- Set development goals according to stages.
- Suggest industrial vision in the long-term perspective.
- Capitalize on them in making corporate investment decisions and determining a priority in financial support by banking institutes.

b) Promotion of advanced technology and capital goods industries

- Push ahead with projects to localize machinery, components and materials without a hitch.
- Expand loans for purchasing Korean-made machinery.
- Develop capital goods like plants into exporting industries.

c) Promotion of the information industry

- Develop knowledge-based service industries related to manufacturing, research and development and marketing, while strengthening support for investment into software and other industries.

- Switch to a system of producing small numbers of and a variety of items to ensure customer satisfaction.

- Rationalize corporate business by providing such information as production, marketing and management.

d) Rationalization of less competitive, fragile industries

- Take steps to push such restructuring as replacing of outdated equipment and automation of production process.

e) Stimulate a shift of industrial restructuring to energy-saving ones for balanced industrial development and environmental protection

f) Spur specialization of large conglomerates and development of them into giant multinationals

g) Provide support for internationalizing domestic industries in such fields as technology development, production and marketing

B. Push plans for cementing competitiveness of respective industrial sectors

a) Establishment of development strategies based on separate business lines

- Present mid- and long-term prospectus for the supply and demand of individual business lines as their investment outlook.

- Set the development direction of the respective business lines.

- Prepare plans for mid- and long-term technology development and facility investment.

b) Swift solution of corporate grievances

- Activate a task force designed to examine grievances among top 200 corporations.

c) Overhaul of industrial support systems

- Readjust industrial support systems in keeping with regulations of the Uruguay Round of multilateral trade talks and development strategies of industrial sectors.

C. Strengthening competitiveness of the exporting industry

a) Complementing of export credit guarantee system

—Expand the scope of credit export (including the settlement period of bills to less than five years from current less than one year).

—Boost export insurance support fund (to 100 billion won this year).

b) Cultivating capabilities to explore overseas markets on its own accord

—Spur development of individual companies' own brand and exportation

c) Advancement of trading procedure to an international level.

—Expand the scope of export approval exemption (initially to less than \$10,000)

—Widen step-by-step trading automation procedure.

D. Streamlining the process for implementing industrial policies

a) Evolution of a new civilian-government cooperation formula

—Formulate the practice of promoting cooperation between the civilians and the government in drawing up long-term industrial vision and development plans.

—Establish civilian consultation bodies designed to solve problems of conflicting interests between the civilians and the government in a bid to ensure efficient and balanced distribution of resources.

b) Overhaul of operating the existing industrial policy deliberation committees under the umbrella of government agencies

—Revitalize operation of industrial policy deliberation and civilian industry development consultation committees.

E. Beefing up competitiveness of major industrial sectors.

a) Automobile manufacturing

—Expand automakers' own technology development capabilities.

—Develop cars operated by energies other than oil in preparation for stiffer international environment controls in the future.

—Seek to help two to three auto makers expand their annual production capacity to 1 million units.

—Create an exclusive automotive complex covering 18.15 million sq. meters, while providing 15 trillion won in facility investment loans by 1995.

—Seek to help automakers and automotive parts manufacturers promote ways of cooperating in parts design and technology development.

b) Shipbuilding industry

—Enhance competitive edge by focusing on local shipbuilders' own technology development rather than introducing technologies from foreign countries.

—Have shipbuilders diversify their business areas other than shipbuilding and overhaul a system of providing soft loans to shipbuilders.

—Streamline a shipbuilding subsidy system in preparation for the conclusion of the talks on subsidies under the auspices of the Organization for Economic Cooperation and Development.

c) Automation components industry

—Raise the local content rate of automation devices to 70 percent by 1997.

—Provide greater support for consulting, engineering and software development in automation by drawing money from the industrial development fund.

d) Environment equipment industry

—Set aside a portion of environmental charges to technology development of environmental equipment.

—Pursue tripartite efforts among the business, school and research institute to develop environmental technologies.

—Provide expanded tax benefits and financial support to investments into environmental equipment technologies.

e) Semiconductor industry

—Develop technologies related to the next-generation 256-megabit dynamic random access memory (DRAM) chip as well as foster application specific integrated circuits (ASICs) and other non-memory products.

—Elevate the localization rate of semiconductor equipment industry to 50 percent by 1995.

—Forge a "strategic alliance" with the United States and Japan in such fields as semiconductor equipment and material manufacturing to preempt possible trade disputes.

f) Home appliance industry

—Develop a high-definition television model the prospective future home appliance item, by June next year on schedule.

—Develop the “multimedia” development project during the period between 1994 and 1998. A committee comprising of businessmen, academics and researchers will be formed to standardize about 50 home appliance parts.

—Seek to make joint efforts to develop such high value-added items as mini-disc (MD) and digital compact cassette (DCC) to prevent excessive investment.

g) Computer industry

—Foster workstations and portable personal computers as Korea’s strategic export items.

h) Aerospace Industry

—Develop aircraft with more than 50 seats for military and civilian purposes and multipurpose satellites by mid-1990s.

—Set up a special government division designed to oversee all the work related to aerospace industry development, including localization of devices, components and parts.

V. Technology Development Strategies

—Push ahead with plans to develop 919 technologies related to production.

—Draw up plans for developing 13 medium technologies, including those for localizing key components of personal computers.

—Boost the ratio of R&D investment to gross national product from 2.1 percent in 1992 to 3 to 4 percent in 1998. The government’s share in total R&D [research and development] investment will be gradually raised from 20 percent in 1992.

—Strengthen government support to spur development of technologies.

VI. Others

A. Easing of regulations

a) Ease entry restrictions on business sectors to be opened for foreign investment—distribution, hotels, construction, pharmaceuticals, communications and others

—Ease restrictions on the qualification and the number of licensed employees.

—Ease restrictions on obtaining permits or licenses whose premiums are large or restrictions on entry into overprotected businesses—auto repair and cable TV-related businesses.

b) Ease pricing restrictions by revising laws on price stability and fair trade

B. Reform in the structure of economic administration

a) Strengthen policy coordination for autonomy, consistency and transparency

b) Privatize government-invested corporations

—Readjust the roles of the government and the private sector.

—Sell off government-invested corporations that can compete against private companies.

C. Reform in land use

a) Improve regulations on land use.

—Merge or abolish complicated laws governing land use.

—Zone land into four categories and ease restrictions sharply in the zone of development.

b) Strengthen taxation to curb speculation in land.

—Reduce the gap between the price estimates of land, used as the tax base, and market prices.

—Tax gains in land prices heavily.

—Ease restrictions on the trade of land.

D. Investment in social infrastructure

a) Draw up a long-term investment plan for effective use of land, balanced regional development and the dispersion of population

b) Establish a committee to determine investment priorities

E. Fair trade and renovation in business management

a) Ease concentration of wealth in the hands of a select few

—Encourage specialization and promote companies’ independence of their groups in management.

b) Regulate market dominance by business groups

c) Strengthen competitiveness by renovating the structure of business management

—Deconcentrate corporate ownership.

d) Give greater autonomy to professional managers

Financial Market Opening Plans To Be Revealed by July

SK2104044493 Seoul THE KOREA TIMES in English
21 Apr 93 p 9

[By staff correspondent Yi Chang-sop]

[Text] Korea’s financial market-opening program, originally scheduled to be announced this month, will be made part of the nation’s five-year reform plan, to be

implemented from this July this year. Cho Kun-ho, director general for the international finance of the Finance Ministry [MOF], said the five-year financial reform plan, to be finalized by the end of June, will contain all contents of Seoul's financial market-opening.

The government can not separate the market-opening issue from the financial market reform issue, he said, adding that the two are closely related and should not be mutually exclusive and conflicting. Thus foreign trading partners and international financiers here will not regard the government's decision (to delay the announcement of the market-opening plan till June), as a retreat in the opening of the financial market to foreign competition, he said.

Many foreign bankers do not disagree with the government plan. One Western banker said, "We do not care about a one or two month delay but he said I am worried over the possibility that the Korean government may implement the market-opening issues (that directly affect business opportunities of international banks) in the latter part of the five-year reform plan." Last year, the MOF unveiled its three-stage market-opening and liberalization program apparently at the request of the United States.

The first and second parts of the plan have been implemented on schedule or ahead of schedule. The third-phase plan, which deals mostly with structural financial issues, was supposed to be unveiled by the end of last year.

But due to the change of administrations in Seoul and Washington, the MOF, through consultation with the U.S. Treasury Department, put off the announcement to the end of this month. But the Kim Yong-sam administration is mapping out a five-year New Economy Plan, which will include reforming the financial market. The third-phase plan will set the timetable for interest rate deregulation, abolishing credit allocation, the 110-billion-dollar bond market—opening and easing of capital flow restrictions.

Despite the technical delay in the announcement, MOF's Cho said the government-commissioned committee has already put forward its own version of accelerating interest rate deregulation, liberalizing foreign exchange controls, abolishing the bank's credit allocation system and the bond market modernization plan.

In addition, the Economic Planning Board [EPB] Monday announced a brief sketch of what the government ministries will do over the next five years. The EPB, through consultation with the MOF, said Seoul will actively modernize and internationalize the financial market through bold easing or abolishing rules and promoting competition.

Many analysts said foreign banks and brokerage houses will be the "chief victims" of Seoul's accelerated financial deregulation. So far, international banks have maintained a profitable business by exploiting niches in Korea's tightly-regulated market, they said.

But small-size foreign banks and brokerage houses here will face cut-throat competition from Korean financial institutions, they speculate, adding that liberalization will also lead to elimination or reduction of privileges foreign banks have enjoyed here. So far the government has placed more control over local banks than foreign banks. If the government applies its regulations to both local and foreign banks equally, they said, big local banks will eat away at the business small foreign banks monopolized.

Seoul Urges ESCAP To Aid Least Developed Countries

SK2104120593 Seoul YONHAP in English 1030 GMT
21 Apr 93

[Text] Bangkok, April 21 (YONHAP)—South Korea called for the Asia-Pacific community to direct its efforts toward helping the region's least developed and economically transitional countries Wednesday. Foreign Minister Han Sung-chu, addressing the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP), listed four policies that Korea wanted ESCAP to adopt.

First, helping the least developed and transitional economies to smooth their incorporation into the world market system, and second, expanding intra-regional investment. "All countries... Need to undertake continuous industrial restructuring in order to cope with the changing world economic environment," Han told the 49th ESCAP session. "Fourth, I support the expansion of the infrastructures of the developing countries in the region as a means to facilitate intra-regional trade and investment," the Foreign Minister said.

ESCAP, a spinoff from the Economic Commission for Asia and the Far East (ECAFE), established in 1947, groups 48 full and 10 non-full members. Asia-Pacific nations place great emphasis on the commission, the only inter-governmental organization that covers the entire area. The current session at ESCAP headquarters is particularly dealing with investment and intra-regional trade expansion.

On a global note, Han stressed Korea's commitment to free trade and urged all nations to lower their trade barriers and to promote technology transfer and investment. "It is disappointing to note our failure to conclude the Uruguay Round negotiations in the seven years since they were launched," he said. "We should also be mindful of the possibility that economic regionalism, which gained strength in recent years, could reduce the importance of a global trading system based on the General Agreement on Tariffs and Trade (GATT)," he said.

To promote intra-regional trade, Korea supports the creation of a "Regional Investment Information and Promotion Service for Asia and the Pacific (RIIPS)," Han said. He announced that Korea will increase the Korea-ESCAP Cooperation Fund (KECF) from the current 400,000 U.S. dollars to 500,000 dollars next year.

Steel, Car Exports Rise in First Quarter

SK2204052793 Seoul YONHAP in English 1109 GMT
21 Apr 93

[Text] Seoul, April 22 (YONHAP)—Steel, metal product, machinery and automobile exports rose sharply in the first quarter, but daily commodity and primary product exports fell, the Daishin Economic Research Institute said Thursday. Exports of steel and metal products rose 28.1 percent to nearly 2.14 billion U.S. dollars, exports of nonmetallic mineral products rose 19.6 percent to 650 million dollars, and exports of machinery and transportation equipment rose 18.8 percent to 2.76 billion dollars.

Exports of daily commodities and primary products fell 17.4 percent and 7.9 percent, respectively. Exports of chemical products rose 4.5 percent in the first quarter, compared with 42 percent last year.

Steel exports rose due to the construction boom in China and the strength of the Japanese currency. Exports of freezing and drying machines, chemical machines and pumps were active, but exports of motors and rolling machines were poor. Semiconductors and computers led exports of electric-electronic products. Exports of industrial electronic products were stronger than home appliances.

Seoul Promises Leniency for 'Security-Related' Suspects

SK2104050693 Seoul THE KOREA TIMES in English
21 Apr 93 p 3

[Text] Manhunts for security-related criminal suspects of bygone days have been virtually called off, and the authorities are urging them to surrender. On the wanted list are 70 political dissidents, 90 student activists, 50 progressive labor leaders and 10 military deserters.

Those who appear before law-enforcement authorities will be given leniency to the maximum extent related laws allow, government sources said yesterday. In line with the new policy, the prosecution has embarked on a business of working out plans to handle the cases, they said.

Of the wanted people are 38 against whom arrest warrants were issued by court in advance. Most arrest warrants have been already invalidated as their term of validity (one month) passed without the prosecution asking reissuance.

However, the sources made it clear that those who do not appear voluntarily despite the government's softened stance would be pursued to the last. The prosecution has not yet asked again the court to issue an arrest warrant against Yun Yong-kyu, former chairman of the outlawed National Teachers' Union after it became ineffective on March 31.

Yun has been sought by police with regard to demonstrations during the funeral service for Kang Kyong-sik, Myongji University student, who was beaten to death by police during a street protest in June 1991. The prosecution maintains a stance that if Yun surrenders, he would be only booked without physical detention and would be given leniency.

"The government's measure this time does not mean that those who were on the wanted list would not be punished criminally, if they appeared voluntarily. It signifies that the government is determined to deal with them with leniency according to the spirit of a grand reconciliation," a ranking prosecutor said.

"It is impossible to regard criminal acts of the past as if they were not committed unless the state is overthrown by a revolution," he stressed. "We also have to take into consideration the equality of law as there are some people who have already been punished for similar criminal acts," he noted.

Of the wanted list are Yi Pyong-kyu, a top aide to Chong Chu-yong, former president of the opposition United People's Party; college students Song Yong-song and Miss Pak Song-hui and novelist Hwang Sok-yong who visited North Korea without the government's approval. The government will issue a passport to Hwang now staying in the United States who expressed an intention to return home.

Brunei, Malaysia & Singapore**Malaysia****Polish Deputy Premier Visits, Discusses Air Link**

*BK2204081293 Kuala Lumpur Voice of Malaysia
in English 0600 GMT 22 Apr 93*

[Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed has expressed the hope that Malaysia and Poland can establish an air link. He told Polish Deputy Prime Minister Henryk Goryszewski that the link was necessary as a method to foster closer bilateral relations. Goryszewski had called on the prime minister at his office in Kuala Lumpur yesterday. The Polish deputy prime minister is on a three-day official visit to Malaysia.

Sabah To Reduce Log Exports by 50 Percent

*BK1804135393 Kuala Lumpur Voice of Malaysia
in English 0800 GMT 18 Apr 93*

[Text] Log exports from Sabah will be reduced by 50 percent this year. Last year's log exports amounted to 3.2 million cubic meters. Primary Industries Minister Datuk Sri Dr. Lim Keng Yaik said the quota will be scaled down further over the next three years. By then, hopefully the exports of logs will be stopped.

He was speaking to newsmen at the Kota Kinabalu International Airport before returning to Kuala Lumpur after a three-day visit to the state. He said this had been agreed to by the state government. The state government has also agreed that the log production level for Sabah this year be set at 7.9 million cubic meters. This is to ensure a sustainable yield.

The Primary Industries Ministry has so far issued export permits to four companies to export a total of 135,000 cubic meters of logs following the lifting of a temporary log export restriction for Sabah enforced since 1 January.

Singapore**Mexican Minister Holds Trade, Economic Talks**

*BK2104132593 Singapore THE STRAITS TIMES
in English 21 Apr 93 p 36*

[Text] Emerging Latin American giant Mexico wants to be a dialogue partner of ASEAN, said deputy foreign minister Javier Barros Valero. Among the issues Mexico could discuss in any future dialogues with ASEAN, are trade and economic issues. And the feedback he received on the idea of Mexican participation was quite "optimistic", he said yesterday.

"ASEAN has dialogue with other extra-regional partners such as the United States and Japan. Therefore, there is a good chance for Mexico to be a dialogue partner," said Mr Valero.

ASEAN holds annual dialogue sessions with countries which include the European Community (EC), Australia and New Zealand.

Mr Valero was here on a three-day visit to explain his country's stand on the North American Free Trade Agreement (NAFTA) and to discuss bilateral trade issues. He left for Jakarta yesterday, from where he will go on to Bangkok. Earlier, he had visited Malaysia.

The minister had met Mr Lim Boon Heng, Senior Minister of State (Trade & Industry), and Ministry of Foreign Affairs and Economic Development Board officials. He said NAFTA will allow Mexico access to the most attractive market in the world, North America. But it was vital for Mexico to diversify.

"We want to spread our wings to the other parts of the world, such as dynamic Asia," Mr Valero said. The country is also working out economic arrangements with countries such as Chile and the EC.

In line with this, Mexico feels it is important to nurture the "vigorous relationship" which is evolving with Singapore. The country overall diplomatic and economic strategy is aimed at boosting its presence in the region.

Mr Valero's visit is aimed at "developing mutual understanding" and a world outlook shared by both nations in many common areas of politics and economics.

It would also provide a foundation for a closer and more dynamic bilateral relationship. Both can learn and help each other for the benefit of regional economic integration and well-being, it added.

Mr Valero met Mr David Parsons, director-general of Pacific Economic Cooperation Conference (PECC) and acting director-general of the Asia Pacific Economic Cooperation secretariat (APEC), Ambassador Hendra Esmara.

Mexico has been a PECC member since May 1991, and has asked to be a part of APEC.

Group To Construct \$600-Million Township in SRV

*BK2104132793 Singapore THE STRAITS TIMES
in English 21 Apr 93 p 36*

[By Tan Sung]

[Text] A local company, United Land and Trading (ULT), has submitted a master plan to develop a U.S.\$600-million (S\$978-million [Singapore dollars]) 150-hectare township in Ho Chi Minh City.

Disclosing this yesterday, visiting Vietnamese Vice-Minister for Construction, Dr. Pham Sy Liem, said that the project, to be sited in the suburban district of Thu Duc, will yield some 6,000 upmarket residential units.

The joint venture project between ULT and the city's Department of Real Estate, is expected to be approved by the country's State Committee for Cooperation and Investment in September. The master plan was jointly

worked out by Temasek Holdings' subsidiary, Indeco Engineers, and Cesma International, a wholly-owned company of the Housing Board.

Dr. Le Van Nam, architect-in-chief of Ho Chi Minh City, said that the self-contained township is about seven kilometers from the city centre and located near major industrial estates. It will comprise villas, high rise apartment blocks, a business complex, recreational parks and a modern road network.

"If implemented, Ho Chi Minh would come to have a beautiful site that looks like Singapore. The project will also meet the city's strong need for housing to accommodate foreign businessmen," he said.

Elaborating on the upmarket project, ULT's assistant managing director, Mr Pek Lian Guan, said that he expected work to begin early next year and be completed within eight years. ULT, was incorporated in 1973, by some 10 Singapore companies and individuals for the specific purpose of penetrating the Vietnam market.

Mr Pek said that ULT's shareholders, which include Pek Tiong Choon Ltd, Tiong Seng Contractors and Ong Kin Sin Investments, are all presently engaged in their own contracting and real estate development businesses in Singapore.

He added that ULT, which currently has a paid-up capital of some \$6 million [currency not specified], has engaged financial consultations to map out a financing package for the Vietnam project.

Dr Liem is leading a 12-man delegation on a four-day investment promotion visit to Singapore. His team will be holding a seminar on Planning, Real Estate and Infrastructure Development in Vietnam this Friday, which will be attended by some 130 local businessmen. The seminar organised by the Real Estate Developers Association of Singapore will see the delegation presenting multi-million dollar infrastructure projects for Singaporean developers to participate in.

Telecom To Join in Installing Regional Cable Link

BK2004005693 Singapore THE STRAITS TIMES in English 19 Apr 93 p 37

[Text] Singapore Telecom will be partnering eight other Asia-Pacific telecommunications organisations to install a state-of-the-art submarine cable network linking the republic to countries in the region.

When completed by 1997, the system will increase by 87 times the number of telephone calls that users can make simultaneously.

To be built at an estimated cost of U.S. \$610 million (S \$994.30 million [Singapore dollars]), the underwater Asia-Pacific Cable Network (APCN) will connect Singapore with Malaysia, Indonesia, Thailand, the Philippines, Hongkong, Taiwan, Japan, and Korea.

In a statement released over the weekend, Singapore Telecom said the network's advanced technology represents a "quantum leap in capacity." It will enable 660,000 telephone calls to be made simultaneously compared to the 7,560 calls possible with the existing optical fibre technology.

Spanning over 11,000 km, the network will provide the region with unprecedented telephone and other wide-band services.

Said Singapore Telecom: "It will play a major part in generating and sustaining the robust economic activities in the Asia-Pacific region."

Telecom's business customers will also benefit from the APCN's better service quality and greater network reliability, it added.

The APCN will employ direct optical signal amplification which simplifies the electronics of the underwater circuits, thus making the whole cable system more reliable. It will also have improved efficiency in monitoring and controlling the flow of telecommunications traffic.

Singapore Telecom said that installation of a submarine cable network linking Singapore to the Indian Ocean, Middle East, and Europe is also in progress.

Together with the already operational Brunei-Singapore System, its cable network will eventually cover all the major countries in these regions.

Cambodia

Akashi Adamant Elections To Proceed Despite Violence

BK2104132193 Hong Kong AFP in English 1220 GMT 21 Apr 93

[Text] Phnom Penh, April 21 (AFP)—The head of the United Nations Transitional Authority in Cambodia (UNTAC) repeated Wednesday that Cambodia's elections will go ahead next month despite the possibility of violence. Speaking at a working session of Cambodia's Supreme National Council (SNC), Yasushi Akashi conceded the May 23-27 polls would not be taking place in the disarmed, neutral political environment called for by the Paris Agreements.

"Under these conditions some may well wonder if elections can and should be held, and whether they will be free and fair," Akashi said. However "nearly nearly five million Cambodians, or nearly all those who were entitled to do so, have registered to vote and 20 political parties are competing," he said, and emphasised that both SNC head Prince Norodom Sihanouk and the U.N. Security Council had endorsed the polls.

"But there is more. In a remarkable display of multiparty campaigning, hundreds of political meetings have taken

place. These have not been entirely free from intimidation. Nevertheless, I think we should rejoice over the fact that there have been none of the clashes and violence feared by many," he said.

Akashi said UNTAC is urgently reviewing security measures for all its personnel, especially those stationed in areas where "high levels of lawlessness and violence are prevalent". But the fact that security concerns may cancel polling "remote or dangerous parts of the country", disenfranchising some Cambodians, that would not invalidate the elections, he said.

"I have already told the SNC that conditions for the election will not be perfect. But we have to work in the real world, not with the ideal," he said. Akashi stressed that in the run up to the elections, "a very heavy burden of responsibility rested with the Phnom Penh authorities which must prevent or punish all politically motivated attacks on other parties in its territory."

"The legitimacy of political opposition must be respected, and all acts of violence, harassment and intimidation must cease forthwith," he said. Akashi went on to lambast the Phnom Penh party for using state organs for electoral related purposes, which he said was "impermissible". He highlighted the problem, which has arisen from 13 years of one party rule, of the lack of a clear differentiation between party and state, but stressed that UNTAC would not condone blatant instances of the Phnom Penh party making use of the State of Cambodia (SOC) apparatus.

"In the last few months, SOC officials have signed codes of conduct pledging the civil servants, police officers and soldiers of the State of Cambodia not to engage in party political activity during working hours or while in uniform," Akashi said.

The UN chief also castigated government soldiers, saying they had an increasing tendency in some areas to treat UNTAC personnel with disrespect and to try to impede their freedom of movement. Saying the acts were designed to reduce the authority of UNTAC in the people's eyes, he reminded the government that "After all it was the Cambodian parties who signed the agreements creating UNTAC and inviting it to come here." "A victory marred by violence and intimidation is not worth having," he added.

Article Views Prospects for Elections

BK2204024193 Bangkok THE NATION in English
22 Apr 93 p A6

[By Chris Burslem in Phnom Penh]

[Text] The architects of the Paris accord allowed themselves a vision of the traditional Cambodian new year last week as the beginning of an era of peace and development for the war-ravaged country.

According to that vision, Cambodians from around the country would return to their home provinces, make prayers for peace, weigh up the promises made by the political parties and then vote after a cooling off period provided by the new year break.

But last week's celebrations were noticeably subdued as the UN's two billion dollar peace plan was moving closer to total collapse.

The Khmer Rouge, citing security fears, abandoned its Phnom Penh compound and fresh fighting which was blamed on the radical guerrillas was reported in north-western provinces.

And in a development that may have been even more disturbing for the United Nations Transitional Authority in Cambodia, the first signs of dissent within the mission itself began to emerge.

On Wednesday, electoral supervisors who had been evacuated from Kompong Thom province after the killing of a Japanese colleague met with Untac chief Yasushi Akashi and called for the polls to be postponed.

The electoral officials argued that the peace mission had made too many compromises to the original Paris plan and forfeited its mandate to hold elections.

Specifically they cited Untac's failure to disarm the four factions' armies or wrest enough administrative power away from the Phnom Penh government. A situation which they contend has created a volatile climate far removed from the peaceful environment Untac was assigned to foster.

"Akashi is no longer even saying free and fair elections. Now it is relatively free and fair elections," said one of the electoral officers who attended the meeting with the Untac chief.

David Costanza, another electoral supervisor, said he doubted Cambodians themselves still wanted the elections.

"The question is no longer whether the elections be pulled off. Right now the question is whether the elections are right for the Cambodian people and whether the climate is right to hold elections," he said.

Marcus Jense said that when they began their mission last year, many of the electoral supervisors whose main task is to educate voters, fervently believed in Akashi's metaphor that they would be "sowing seeds of democracy".

"But during the process the soil became poisoned and I don't think now that the seeds will grow, maybe some, maybe a few around the edge, but there will be no harvest," he said.

One electoral supervisor said Untac's biggest mistake had been not to treat the Khmer Rouge as an equal partner in the peace process.

"The DK's (Khmer Rouge) demands were not unreasonable at the beginning. You had their ideology and anger at the West and while you can ignore what they said about the Vietnamese, a lot of what they said about CPAF (Phnom Penh army) was true," he said.

The Kompong Thom electoral officials said ill-disciplined government troops regularly terrorised the local population, intimidated political opponents and were the cause of much of the banditry in the province.

"The CPAF troops are probably even worse than the Khmer Rouge," said Costanza. "There probably wasn't a DES (district electoral supervisor) in the whole district who hadn't been threatened by a drunk CPAF colonel."

Jense said their complaints have gone unheeded by their Phnom Penh-based superiors.

"We have been saying for months that it was not OK, that the situation was becoming more and more tense but nothing happened. How can you expect the policemen who have always been a threat to the local population to suddenly maintain law and order. But they have their reasons for not listening to us ... they are too tied to the mandate," he said.

Costanza said a recent directive by Untac to recruit State of Cambodia (SOC) police to help with security at the polling sites showed seriously flawed judgement.

"To have SOC policemen present at the polling sites completely undermines free and fair elections. You might as well have Hun Sen standing there," Jense said.

"The villagers say to us that if Civpol (UN police) and SOC are taking care of the local election materials then there will definitely be an attack by the DK."

Political observers in Phnom Penh said the Khmer Rouge had originally hoped to return to power on the coat-tails of their former jungle allies, the pro-Sihanouk Funcinpec [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party. But the royalist party's election efforts have been torpedoed by a series of attacks that have left more than 100 party officials either dead or injured.

With support for Funcinpec apparently evaporating because of the intimidation campaign, the Khmer Rouge are faced with the prospect of seeing their arch enemies, the Phnom Penh government's 14-year-old rule Cambodia legitimized by the UN elections.

"They are desperate," Akashi used the word himself, "desperate to stop the elections," said one of the Kompong Thom officials.

"They have declared war on Untac," another electoral supervisor said of the attack which killed Atsuhito Nakata, UN chief Butrus Butrus Ghali who visited Cambodia in early April vowed the United Nations

would not bow to the increasing violence and would carry on with the elections which are scheduled for May 23-28.

To address the electoral supervisor's concerns, Akashi pledged to step up security but the officers said the offer of bullet proof vests and heavily armed escorts defeated the purpose of their work which was to instil confidence in the electorate that it would be safe to vote.

Many said they felt it was too late anyway.

"The security problem seems to be affecting a lot more provinces than we had thought and the conditions are deteriorating and instead of being a free and fair environment, it's becoming more and more chaotic and violent," Costanza said.

"In Kompong Thom the environment has become like a military operation with with an electoral one inside.

"The local villagers said the DK has been telling them for weeks and weeks now not to go and vote because if they did so, they were going to be hurt. Also the villagers were warned that the polling sites would be attacked," he said.

Costanza said the situation needed "courageous action"

"We have never seen people who wanted peace so bad."

"Somebody should have the courage to postpone or abandon the elections," he said.

However Untac, citing the cost, the looming rainy season, and growing impatience among the world community, has said it cannot delay elections any further.

For the electoral supervisors, it is a position which they feel has made them the main targets of the Khmer Rouge's offensive against Untac putting at risk the validity of the election results.

"Look what happened after they killed one DES (district electoral supervisor). Now Untac has stated at the highest levels that they will probably cut out most of Kompong Thom from the election, half of Preah Vihear, some of Siem Reap and some of Battambang. What happens if they kill the next DES in Kompong Cham or Koh Kong for example. It will be a disaster," one said.

Japan, Norway and the Netherlands who have sponsored some of the largest numbers of electoral supervisors and election monitors, are also considering withdrawing their volunteers, UN sources said.

In the event that the security situation across the country deteriorates to the point where the civilian election officials can no longer work in the field, Untac is said to be drawing up plans for its military contingent to supervise the voting period.

Under this plan, much of the voting in "red" or dangerous areas would be undertaken in heavily fortified provincial centres where disenfranchised voters could come to cast their ballots.

In his talk to the electoral supervisors, Akashi noted it was common in many developed countries for only half of the electorate to exercise their voting rights. As of such, he said, this might have to be the case for Cambodia.

Many of the Kompong Thom electoral officials said they would not be going back to the province, generally regarded as the most dangerous in Cambodia.

It seems to most of us that the Kompong Thom operation is finished. It is beyond repair and that to continue on is suicidal and in no one's best interests—certainly not the Cambodians," said Costanza.

One supervisor who stated he probably would return, said it was too late to pull out.

"Untac has managed to create a situation which could explode very soon. I compare the situation to a boat with a hole in it. Unless we do something to limit the damage, the whole country is going to go under."

The official however, was against going ahead with the elections. He said it appeared the only solution was to create a coalition government and invite the Khmer Rouge in to share power.

A scenario many observers say the Khmer Rouge is gunning for.

Singapore Paper Views 'Sons and Fathers' Politics

BK1704125593 Singapore BUSINESS TIMES in English 14 Apr 93 p 22

[Article by correspondent Harish Mehta: "Sons and Fathers in Politics"; from the Regional Analysis Section]

[Text] Two influential Phnom Penh families are running for office in the Cambodian elections. One is the Norodom clan led by Prince Norodom Sihanouk and his son, Prince Ranariddh.

The other is the family headed by Son Sann, the 81-year-old former Cambodian prime minister, and Son Soubert, his 50-year-old offspring. This father-son team runs the Buddhist Liberal Democratic Party (BLDP) that was created last May out of the original Khmer People's National Liberation Front (KPNLF).

Son Sann is the party's president and is a member of the Supreme National Council of Cambodia, which was set up after the Paris peace accord was signed in October 1991, and groups all the four Cambodian parties. And Son Soubert is the party's secretary-general, a post he was appointed to at the party's second congress last May.

For a man who says he was "dragged into politics" from his cushy supermarket job in the balmy south of France, Son Soubert is not a reluctant politician. Son Soubert who majored in archaeology at Ecole du Louvre and read the classics in La Sorbonne, Paris, is running for the

120-seat constituent assembly from Battambang in the country's north-west, a constituency which sends eight deputies to the assembly.

His father, meanwhile, is fighting the battle of the ballot from Phnom Penh, a constituency that sends 13 deputies to the assembly, but one in which stalwarts such as Prince Ranariddh and Cambodian People's Party (CPP) general-secretary Chea Sim are also running.

A Phnom Penh government official conceded that Son Sann would "definitely win" his seat because he is considered a political stalwart by voters, and Son Soubert, too, would win in Battambang though with a smaller margin than his father.

The other father-son team of Prince Sihanouk and Prince Ranariddh is not hanging together quite in the same way as Son Sann and Son Soubert. Prince Sihanouk is widely expected to run for president, while Prince Ranariddh is running for the assembly as the head of the Funcinpec [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] party, a post he inherited from his father after the Paris peace accord was signed.

Funcinpec is the French acronym for United National Front for an Independent, Peaceful, Neutral and Cooperative Cambodia.

Though Prince Sihanouk is supposed to be neutral in the election and cannot lobby for his son's party, Prince Ranariddh makes no bones about the fact that his party will use the Sihanouk name to advantage. "We are the Sihanoukist party, and we want to tell the voters what we stand for," Prince Ranariddh said.

In principle, the BLDP duo support the Sihanoukists, but Son Sann is also contesting the assembly election from the same Phnom Penh constituency as Prince Ranariddh, which makes them rivals.

Throw a worst case scenario at Son Sann and he throws his standard "national reconciliation" line back and talks about the need for a political consensus. But he is worried that the party which wins the most seats could deny Prince Sihanouk his role in government, and could prevent him from becoming the president.

Son Sann then said he had proposed last year that Prince Sihanouk be given executive powers necessary to reorganise the administration, the army and the police of the four parties in order to achieve national reconciliation. "But the Phnom Penh regime has not accepted it yet. However, Funcinpec and Khmer Rouge have accepted it," Son Sann told Regional Analysis.

Like his father, Son Soubert also sees the personality of Prince Sihanouk as the most important factor in the post-election scenario. "The Khmer Rouge still respects him, and so does the CPP. But as head of state, he must have some powers to help the new government," Son Soubert told Regional Analysis.

"Even if Untac [United Nations Transitional Authority in Cambodia] stays, I am not sure whether we will have a stable political life, and I doubt if the new government will be very strong," he added.

Asked if pinning all hopes of stability on one man—70-year-old Prince Sihanouk—was not a dangerous strategy of putting all of Cambodia's eggs in one basket, Son Soubert replied: "That's why we have a Constitution. We are still in a transitional period. After so many years of war, we cannot have a miracle."

But will Prince Sihanouk, who has changed his mind so often, run for president? Son Soubert's reply: "I am not sure because till now he is not willing to do that. I cannot read his mind."

It is a "dangerous election", said Long Bora, a failed politician-turned-lawyer who is running both for the assembly as well as throwing a challenge of sorts to Prince Sihanouk in the presidential poll.

Dr Long added that his fledgling Cambodia Free Independent Democracy Party was fielding 240 candidates for the 120-seat assembly just in case some of them were murdered. These fears are real because over 100 Cambodians—27 of them from the BLDP alone—have been killed in factional violence in the run-up to the elections scheduled to be held between May 23 and 28.

Son Soubert said that the BLDP too, is fielding 240 candidates for much the same reasons. "I have just come back from Koh Kong province (in south-west Cambodia), and the atmosphere there is not very good. I have just inaugurated two of our offices there, and the local police is not very friendly," he added.

Cashing in on the fact that 90 per cent of Cambodians are Buddhists, Son Soubert's party calls itself the BLDP. But whether Buddhism can win votes will be evident when Cambodians go to the polls in May, only for the first time in 25 years.

His father, Son Sann said that the KPNLF is the "front for armed struggle against the Vietnamese occupation, but its political branch is the BLDP".

Unlike parties like Chea Sim's and Prime Minister Hun Sen's CPP [Cambodian People's Party] which has considerable wealth, and the Khmer Rouge which controls the gems trade, the BLDP "does not have much wealth because we are not selling timber or gems", said Son Soubert.

"We are not very rich but we have a lot of imagination. So we will use the little means that we have to do all we can to promote our party," he added.

He said that his party is further disadvantaged because it does not operate TV and radio networks unlike the Phnom Penh government which has its own TV and radio, and Prince Ranariddh's Funcinpec party which has its limited-range radio in Phnom Penh, Battambang and Siem Reap.

But Son Soubert is thankful to the United Nations Transitional Authority in Cambodia (Untac) for giving his party time slots on Untac radio. Reg Austin, Untac's chief electoral officer said: "This has created a level playing field and has given fair and equal access to the mass media to all parties."

At any rate, the main issues in this election cut across party lines. Virtually all parties have embraced developmental issues. They are talking about the lack of food, water and healthcare for their people, and the BLDP is no different.

"In most of the places I have been visiting, the main problem for the people is that they don't have water. Another problem is hospitals. If there are dispensaries, they don't have medicines," Son Soubert said.

Another emotional issue being raked up by the BLDP and Funcinpec is the presence of Vietnamese in Cambodia, who are generally disliked by Cambodians. Indeed, many Cambodians have not forgiven Vietnam for going beyond the task of liberating their country in 1979 from the Khmer Rouge and then virtually colonising their country for 10 years.

Son Sann has blamed Untac for many of its lapses, such as its failure to verify the withdrawal and non-return of Vietnamese forces. But Untac's force commander, Australian Lt-Gen John Sanderson, said it was never Untac's job to verify the existence of Vietnamese troops.

When the Vietnamese invaded Cambodia in 1979, Son Soubert joined his father in the jungles to wage a war of liberation. Now, with the Vietnamese gone, he is talking the language of peace and nonviolence with a Buddhist accent.

But Son Sann fears that "if the Phnom Penh regime wins the elections, the Khmer Rouge will attack. And if the Phnom Penh regime loses, it will be the winner anyhow because they will not transfer power to the winner. There will be trouble."

Only Untac can save the elections, he said, adding that it must "prevent certain parties from using tactics like intimidation and terrorism to force the Cambodian people to vote against their will".

Son Sann plans to take a very hard line against what he calls "illegal and secret treaties" concluded between the Hun Sen government and Vietnam. "These are illegal treaties because we do not recognise the Phnom Penh government which was installed by the Vietnamese invaders," he said.

"We do not know about all these illegal treaties, but we know two of them. One of them gave the Vietnamese the right to enter Cambodia freely for 25 years, and another gave land to Vietnam," Son Sann said.

The BLDP wants every Cambodian party to co-exist and cooperate "because our party alone—though we have

most of the support of the Cambodian intellectuals—cannot have enough cadres and experts to help rebuild the country.

"For that matter Mr Hun Sen's party alone, or Funcinpec alone, or the Democratic Kampuchea party (Khmer Rouge) alone cannot have enough people to form a government," Son Soubert said.

Radio Carries Sihanouk's 'Will'

BK2104121493 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1100 GMT 21 Apr 93

[“Will of His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council”—read by announcer]

[Text] I, Norodom Sihanouk, of Cambodia would like to declare that upon my death, all movable and immovable property and all my personal belongings, wherever they are, will all be given to and fully owned by my wife, Norodom Monique Sihanouk, born Monique (Tizzi).

[Signed] Norodom Sihanouk

[Dated] Beijing, capital of the PRC, 19 April 1993

My witnesses are:

1. His Excellency [H.E.] Truong Meali
2. H.E. Ke Kimsae
3. Mrs. Ke Kimsae, born Tan Meng-huoy

Indonesia

Suharto Meets Japanese Envoy To Discuss G-7 Meet

OW2204102093 Tokyo KYODO in English 0949 GMT 22 Apr 93

[Text] Jakarta, April 22 KYODO—Japanese Prime Minister Kiichi Miyazawa's envoy met with Indonesian President Suharto on Thursday for talks on Suharto's bid to attend the Tokyo summit of the Group of Seven (G-7) major economic powers in July, an Indonesian official said.

Japanese Deputy Foreign Minister Koichiro Matsuura “conveyed personal messages from Japanese Prime Minister (Miyazawa) on the possibility of President Suharto's attendance at the G-7 summit in Tokyo,” Indonesian ambassador to the non-aligned movement Nana Sutresna told reporters.

Suharto has expressed his wish to attend the summit to Miyazawa, German Chancellor Helmut Kohl and French President Francois Mitterrand to convey the movement's views.

Officials from the G-7 countries have said that the question of Suharto's attendance must be decided by a consensus among the seven countries.

But British Foreign Secretary Douglas Hurd said early this month in Jakarta the decision will ultimately depend on Tokyo, as it is the host nation of the summit.

Asked what was the result of the meeting, Sutresna said that “consultation continues.”

He said he is not allowed to disclose the content of Miyazawa's messages.

Recently Miyazawa also sent an envoy to Suharto to offer a meeting prior to the summit, but Suharto reaffirmed his desire to meet the leaders of the G-7 during the summit.

Alatas Reviews UN-Sponsored Meeting on E. Timor

BK2204040293 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 22 Apr 93

[Text] Foreign Minister Ali Alatas says Portugal has showed a greater understanding of Indonesia's position on East Timor although that country presented no new proposals at a tripartite meeting in Rome. Speaking to newsmen following the tripartite meeting with Portuguese Foreign Minister Durao Barroso and UN Secretary General Butrus Butrus-Ghali, Ali Alatas said the two countries had agreed to create better conditions for further talks to settle the problem.

Meanwhile, the Portuguese foreign minister described the Rome meeting as positive and the two sides were trying to seek the best way to convene the next talks in New York next September.

Mexican Deputy Foreign Minister Arrives 20 Apr

BK2104112893 Jakarta ANTARA in English 0831 GMT 21 Apr 93

[Text] Jakarta, Apr 21 (ANTARA)—Mexico's Deputy Foreign Minister Javier Barros Valero has said that his visit to Indonesia is, among other things, aimed at exploring the possibilities to improve economic relations with Indonesia.

Speaking to newsmen upon his arrival at Sukarno-Hatta International Airport here on Tuesday afternoon, he further said that though Indonesia and Mexico have had diplomatic ties for quite a long time, bilateral economic relations must still be improved.

He was greeted at the airport by the director of American Affairs of the Foreign Ministry, Irawan Abidin.

The Mexican guest is also scheduled to discuss economic problems related to the North American Free Trade Agreement (NAFTA) with staff members of the Indonesian Foreign Ministry.

“In addition to having talks about NAFTA, we are also going to discuss efforts to remove constraints in the two countries' trade relations,” said Valero.

The talks between the two sides, he added, are expected to show what Indonesia and Mexico can do in future to strengthen their economic ties.

On a separate occasion, Irawan Abidin told the press that trade relations between Indonesia and Mexico were still relatively unbalanced. "The ratio can be put to stand at one to three with Mexico exporting more to Indonesia," he said.

Abidin expressed the hope that Valero's visit would be conducive to the creation of trade balance between the two countries.

"In fact, though still small in scale, some Indonesian entrepreneurs have invested in textile industry in Mexico," said Abidin.

Trade between the two countries is still conducted through a third party like Singapore, he said, adding that recently the Mexican side has made efforts to directly purchase Indonesian products such as plywood.

Mexico's main products which Indonesia imports are, among others, iron sheets, while the commodities usually exported to Mexico are, among other things, textile, plywood and raw materials for perfume.

Philippines

\$1.468 Billion Absorbed Through 26 Loans

HK2104033593 Manila *BUSINESS WORLD* in English 21 Apr 93 p 2

[Report by Meluchi A. Adriano]

[Text] The country fully availed of 26 loans worth \$1.468 billion last year, according to the latest report from the National Economic and Development Authority (NEDA).

The report summarized the disbursement performance on the country's 188 active official development assistance (ODA) loans collectively worth \$10.247 billion.

The 26 closed loans covered 18 projects worth \$993 million and eight government and sectoral programs worth \$475.5 million.

The program loans represented funding for the Mt. Pinatubo Disaster Rehabilitation and Reconstruction Program (\$209.3 million), the Environment and Natural Resources Sector Adjustment Program (\$102.8 million), the Fisheries Sector Program (\$78.4 million), the Debt Management Program (\$200 million), the Reform Program for Government Corporations (\$200 million), and two loan packages for the Road and Transport Sector Program (\$100.8 million and \$101.7 million).

Closed project loans, meanwhile, included six projects for electricity, energy and power, and six water/irrigation projects.

Of the total ODA pie, the report noted the energy sector accounted for the biggest share of net loan commitments. The sector cornered 21% of loans, followed by the transport sector with 18%. Some 16% of ODA was committed to emergency, structural adjustment and budgetary support.

A bigger bulk of ODAs have also been earmarked for projects by government-owned and -controlled corporations (GOCCs). The government corporate sector is responsible for implementing 85 of the 188 projects/programs worth \$5.145 billion. A smaller \$4.791 billion have been committed to line agencies, for 93 projects. The private sector and local government units account for 10 loans, worth a meager \$311 million.

Central Bank To Issue Long-Term Bills

HK2104032093 Manila *THE MANILA CHRONICLE* in English 21 Apr 93 p 11

[Report by Gil C. Cabacungan Jr.]

[Text] The Central Bank (CB) said yesterday it would issue long-term CB bills this week to reduce the supply of money and lower the inflation rate to 6.5%.

In previous attempts, however, inflation and interest rates shot up instead because curbing the money supply restricted the flow of credit.

The CB decision came in the wake of the Department of Finance (DOF) move to trim down the weekly offering of Treasury bills (T-bills) to P4 billion [Philippine pesos] to P6 billion.

CB sources said the CB plans to issue more long-term CB bills starting this week as there is still a lot of liquidity in the system to pare down the national inflation rate to 6.5% this year. The inflation rate was pegged at 7.9% in March.

The same sources said the sharp reduction T-bill offering was "ill-timed" considering the knee-jerk reaction of banks during the last auction, which only caused confusion and volatility in the T-bill rates.

Last week, the DOF slashed its T-bill offering by half to P4 billion to correct its overborrowings in the first quarter, which led to P50 billion in excess cash holdings and pushed down T-bill rates to a six-year low of 11.27%.

However, most of the commercial banks continue to charge high rates for their lendings.

Based on a random survey of the lending rates of eight major universal banks, the commercial lending rates remain at a high of 14% to 19%. Prime rates are at 12.5% to 17%.

The CB said it would offer longer-term CB bills, or up to one year maturity, and yields at par with prevailing T-bill rates. The CB is currently selling 30-day and

60-day CB bills with a yield of 50 to 100 basis points lower than the yields offered during the most recent T-bill auction.

This is similar to the CB Certificate of Indebtedness (CBCI) "Jobo bills" (named after former CB Gov. Jose "Jobo" B. Fernandez), which were issued in 1985.

Chinese Fishermen Arrested in Spratly Islands

HK2204073093 Hong Kong AFP in English 0614 GMT 22 April 93

[Text] Manila, April 22 (AFP)—The Philippine armed forces have arrested three Chinese fishermen off the coast of a Filipino-occupied island in the disputed Spratly archipelago of the South China Sea, the navy said here Thursday.

Philippine Air Force planes and navy vessels on Monday chased a group of fishing vessels off Pag-asa, the largest of six islands occupied by Philippine troops, and the three were caught about 800 meters (yards) off the northeast shore of the island, Lieutenant Commander Anselmo Cabingan said.

The Spratly Island group is claimed in whole or in part by Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam.

The arrests were made a week before President Fidel Ramos' state visit to Beijing, in which the Spratly dispute is among the issues he is expected to raise in talks with Chinese leader Jiang Zemin and other top Chinese officials.

The three Chinese fishermen were detained at a Coast Guard station in the western Philippine island of Palawan and will be charged with poaching using illegal methods, Cabingan told reporters. He said the three were suspected of using cyanide and dynamite to stun fish.

Ramos Cancels 'Balanced Trade' Program With PRC

HK2104133793 Quezon City ABC-DWET Television in Tagalog 1000 GMT 21 Apr 93

[From "ABC-DWET News" Program]

[Text] The balanced trade agreement between the Philippines and China has not been totally productive. This, according to Trade Secretary Rizalino Navarro, is the reason why President Ramos has decided to cancel the agreement just days before his trip to China.

The balanced trade agreement was entered into by then President Aquino and the Chinese Government to offset China's \$1 billion [number as heard] trade surplus with the Philippines. The agreement provided for a one-to-one ratio for the countries' imports and exports.

The trade secretary said that although the agreement had been successful in reducing the country's trade deficit

with China from \$170 million in 1989 to \$70 million in 1992, it failed, however, to fully solve the trade imbalance.

Former NPA Chief To Join Ramos on PRC Trip

HK2204033493 Quezon City MALAYA in English 22 Apr 93 p 2

[Report by Ellen Tordesillas]

[Text] Former New People's Army Chief Bernabe Buscayno as well as beer and cigarette magnate Lucio Tan are two of the personalities who will be accompanying President Ramos when he goes on a six-day state visit to China beginning Sunday.

Buscayno, who was captured and detained during the Marcos regime and released in 1986 as a fulfillment of former President Aquino's campaign promise to free all political prisoners, is part of the 23-man official party of the President.

Tan is part of the 70-man business delegation that includes a number of top Filipino-Chinese tycoons like John Gokongwei, George Ty, Henry Sy and Leonardo Ty.

Buscayno has been the government model of a former rebel who has improved not only his life but has helped improve the life of some of his provinces by cooperating with government. Buscayno runs a farmers' cooperative in Tarlac, Mrs Aquino's province.

The non-Filipino-Chinese in the business delegation include Andres Soriano, Jr., Jose T. Pardo, Aurelio Periquet and Antonio Cojuangco Jr.

The other members of the official party are First Lady Amelita Ramos, Foreign Secretary Roberto Romulo, Trade Secretary Rizalino Navarro, Interior Secretary Rafael Alunan, Education Secretary Armand Fabella, Defense Secretary Renato de Villa; Press Secretary Rodolfo Reyes; Environment Secretary Angel Alcala; Agriculture Secretary Roberto Sebastian; Science Secretary Ricardo Gloria; Ambassador Felipe Mabilangan; Former Ambassador Alfonso Yuchengco; Senator Rodolfo Biazon; Rep. Rolando Adaya; Pampanga Governor Bren Guiao; Pangasinan Vice-Governor Ranjit Shahani; Olongapo Mayor Richard Gordon; Development Bank of the Philippines Chairman Roberto de Ocampo; Bases Conversion Development Authority Chairman Arsenio Bartolome; former senatorial candidate Marietta Goco; Jose Ma. Rufino and Jimmy Tang.

NDF Demands International Mediator for Peace Talks

HK2204061493 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 20 Apr 93

[Text] The National Democratic Front [NDF] is prepared to resume its talks with the government on the condition that a third party or an international mediator

be present, such as what the government did for the Moro National Liberation Front.

NDF negotiator Luis Jalandoni said the third party may come from the Nonaligned Movement, European Parliament, or the United Nations. Jalandoni said that they still favor holding the talks in Geneva or Tokyo, which are both well-known political sponsors of peace talks.

The government and the communist party's talks have been stalled due to disagreements over the peace talks' venue, agenda, and mediator.

Thailand

Prasong, Qian Discuss Cambodia, DPRK NPT Pull-out

BK2204084193 Bangkok ZHONG HUA RIBAO in Chinese 22 Apr 93 p 6

[Text] The Thai and Chinese Foreign Ministers share identical views that the existing Cambodian problem should be settled by the Cambodians themselves. Qian Qichen, Chinese vice prime minister and foreign minister, and his delegation called on Foreign Minister Squadron Leader Prasong Sunsiri at the Foreign Ministry yesterday. The two sides exchanged views on the Khmer Rouge's refusal to participate in the general election to be held in Cambodia in May.

Qian Qichen said that China and Thailand shared identical views. The two sides believe that the Cambodian problem should be settled by the Cambodians themselves. In particular, Prince Sihanouk should play an active role in achieving national reconciliation and reunification. The upcoming meeting of the Supreme National Council of Cambodia is expected to be held at Prince Sihanouk's residence in Beijing.

Prasong said that the two foreign ministers hoped to see the Cambodian problem settled by the Cambodians themselves. There is no need for others to interfere in the problem or to give the Cambodians flashy solutions.

Prasong said that the two sides also discussed during the meeting North Korea's withdrawal from the nuclear Nonproliferation Treaty [NPT]. China believes that North Korea will finally return to the treaty.

ROK Minister Pledges To Bring DPRK Back Into NPT

BK2104023993 Bangkok BANGKOK POST in English 21 Apr 93 p 9

[Text] Foreign Minister Han Sung-chu yesterday pledged to use all diplomatic means to bring North Korea back to the Nuclear Non-Proliferation Treaty (NPT).

"We are doing everything to resolve this issue" in a diplomatic way, Mr Han told the BANGKOK POST.

He made the remark shortly after arriving in Bangkok from Kuala Lumpur yesterday afternoon to attend the 49th annual session of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

North Korea announced its decision to pull out of the NPT on March 12, some months after refusing inspection by the International Atomic Energy Agency (IAEA) of two suspected nuclear facilities.

Mr Han admitted his government was worried about the decision of its northern neighbour.

"We are very very concerned" about this issue, he said.

He confirmed he would meet later today with his Chinese counterpart, Qian Qichen, on the sidelines of the ESCAP conference, they are both attending.

But he refused to disclose his expectations of the meeting, saying "I really cannot predict."

South Korea wants Beijing to use its influence to persuade Pyongyang to return to the NPT. Pyongyang joined the NPT in 1985 and its announced withdrawal is not due to take effect until June 12.

On bilateral matters, Mr Han and Mr Qian are expected to discuss details of the visit to South Korea of newly-elected Chinese President Jiang Zemin later this year.

The Chinese foreign minister told Foreign Minister Prasong Sunsiri on Monday that Beijing was attempting to arrange talks between North Korea and all concerned parties to solve the issue of Pyongyang's withdrawal from the NPT.

The treaty was adopted in 1968 to check the spread of nuclear weapons.

Mr Han is scheduled to meet Sqn Ldr [Squadron Leader] Prasong tomorrow at the Foreign Ministry. He said the discussion would cover bilateral cooperation and relations.

Prasong: 'No Need' for Conference on Cambodia

OW2104080493 Tokyo KYODO in English 0653 GMT 21 Apr 93

[Text] Bangkok, April 21 KYODO—Thai Foreign Minister Prasong Sunsiri said Wednesday he saw no need for an urgent international conference on Cambodia as called for this week by Japanese Foreign Minister Kabun Muto.

"There was nothing more the international community could do on the issue," Prasong told reporters when asked about Muto's initiative.

The Japanese foreign minister asked for the conference for fear the peace situation in Cambodia is rapidly deteriorating as the U.N.-supervised general elections in Cambodia come closer. The election is scheduled for May 23-28, with the Khmer Rouge faction in staunch opposition. The faction withdrew its mission to the Supreme National Council (SNC) in Phnom Penh last week.

A series of massive massacres of ethnic Vietnamese and assassinations against U.N. personnel have occurred all over the country in recent weeks, creating a new wave of political horror in the war-torn country. The Khmer Rouge was blamed in most cases.

Prasong reiterated that the Cambodian problem was already in the hands of the U.N. and there was the Paris agreements stipulating the procedure and the international role for the Cambodian problem settlement.

"Let's support the U.N.-supervised elections, whatever problems remain after that let the Cambodians solve it themselves," Prasong said.

Prasong and his Chinese counterpart Qian Qichen, who is in Thailand for an official visit and for attending the 49th annual session of the Economic and Social Commission for Asia and the Pacific (ESCAP), agreed earlier this week that Cambodian head of state Prince Norodom Sihanouk's role should be bolstered and expanded after the elections in searching for a genuine national reconciliation in Cambodia.

Opposes Favoring Any Faction

*BK2104022393 Bangkok THE NATION in English
21 Apr 93 p A2*

[Text] Western countries should not interfere in the United Nations-brokered peace plan in Cambodia, Foreign Minister Prasong Sunsiri said yesterday.

Prasong made the comment after a meeting with Japanese Ambassador Hiroaki Fujii at the Foreign Ministry.

Japan has proposed that it host the renewed Paris International Conference on Cambodia [PICC] as well as the next Supreme National Council (SNC) meeting in an effort to break the current impasse in Cambodia.

Prasong said Western countries should not support any one Cambodian party.

But he added that they should try to hold talks with all factions which comprise the internationally-recognized SNC.

He said Thailand and Japan shared the same concerns about the post-election situation in Cambodia, and the possible lack of national reconciliation.

The minister repeated his earlier belief that there would be no bloodshed in Cambodia after the general elections.

This was unless Western nations tried to interfere in Cambodian internal affairs by supporting one party or another.

He said the problems of small countries in the region would only be protracted by Western intervention.

"The best solution to Cambodian problems is that Cambodians should have the right to self-determination after the general elections," said the minister.

Under the UN-sponsored peace plan agreed to in Paris by 19 countries in 1991, the UN Transitional Authority in Cambodia will administer Cambodia until elections are held and a new government formed.

There have been suggestions that the UN peacekeeping forces should remain in Cambodia until the situation stabilizes.

Prasong's criticism of the Western role in Cambodia is similar to the Chinese position that Cambodians must themselves decide their future after the elections.

Visiting Chinese Foreign Minister Qian Qichen said on Monday that international responsibility for Cambodia would end once the elections were held.

Qian said Western nations should use existing mechanisms and resources to help the Cambodian people.

"The better people are fed, the less conflict there will be," he said.

—Army Chief General Wimon Wongwanit said yesterday only Prince Norodom Sihanouk with expanded authority can end the current crisis in Cambodia.

Wimon said the Khmer Rouge would agree to the idea.

He also refuted the suggestion that the Thai Army supports the Khmer Rouge more than other Cambodian parties.

"We give equal importance to all factions," he said.

Meanwhile, the United Nations Transitional Authority in Cambodia has asked Thailand to dispatch two dozen officials to monitor the poll from May 23-27 in Cambodia.

The Cabinet has agreed to provide the officials with insurance coverage.

They will work during the three-week electoral period.

Further Reportage on Copyright Protection Issue

Minister Hopes Crackdown Satisfies U.S.

*BK2004150193 Bangkok Army Television Channel 5
in Thai 1200 GMT 20 Apr 93*

[Text] Commerce Minister Uthai Phimchaichon reported to journalists that he had requested that the U.S. ambassador to Thailand report to Congress and the U.S. Trade Representative's Office on the efforts made by the Thai Government to solve the problem of copyright violations. Uthai welcomed the news about the U.S. Congress hearing—despite strong attacks on Thailand made by representatives of the U.S. private sector, the U.S. Congress ruled that the previous government was responsible. Uthai said he still cannot comment now, but he believes there is still some hope.

Meanwhile, government spokesman Aphisit Wetchachiwa reported that the cabinet today ruled that compact discs, audiotapes, and videotapes are controlled products. The

measure is aimed at establishing a fair pricing system under intellectual property and copyright protection.

Intellectual Property Director Transferred

*BK2004150393 Bangkok Army Television Channel 5
in Thai 1200 GMT 20 Apr 93*

[Text] Commerce Minister Uthai Phimchaichon has reportedly ordered an immediate transfer of Phiphat Intharasap, director general of the Intellectual Property Department, to be attached to the Office of the Commerce Ministry Permanent Secretary. The reason cited for the transfer was dereliction of duties, or failure to tackle the problem of copyright violations.

The report says that Phiphat made a mistake during a session with the Central Committee on Price Fixing by suggesting that it was not necessary to declare tapes controlled products. He also sent letters criticising U.S. authorities on the issue. His action contradicted the efforts by the Thai and U.S. Governments to solve this problem.

In the order issued, there is no appointment made to replace Phiphat as director general of the Intellectual Property Department. In any case, it is believed the new director general will be a qualified official, at C-10 grade, and skilled at negotiations regarding the problem of intellectual property rights.

Conflicts Over Trade Policy Control Viewed

*BK2104031593 Bangkok THE NATION in English
21 Apr 93 p B1*

[Text] On the eve of the United States' decision on its trade dispute with Thailand, Commerce Minister Uthai Phimchaichon dropped a bombshell ordering the abrupt transfer of the Intellectual Property Department Director General Phiphat Intharasap.

The order represents another twist in the intensifying conflict between Uthai and Phatchara Itsarasena, permanent secretary for commerce, on the strategy to deal with the United States.

On Monday, Uthai, influenced by his advisers, ordered an investigation into Phatchara and his close aide Sukhon Kanchanalai, the director general of the Business Economic Department, for their roles in the alleged unfair dismissal of a provincial commerce official two years ago.

A Commerce Ministry observer has described Uthai's display of power as being "highly politicised."

Yesterday, Uthai ordered Phatchara to remove Phiphat from the Intellectual Property Department within 24 hours.

In an order letter to Phatchara, Uthai charged that Phiphat has misused his responsibility, citing, among other things, Phiphat's failure to enforce copyright laws dealing with pirate music and videotapes.

He claimed it gave the United States an excuse to come up with retaliatory trade measures against Thai products.

In the letter, Uthai said he wanted to put pirated products onto the list of products subject to control.

He also alleged that the director general of the Intellectual Property Department told the Anti-Monopoly and Price Fixing Committee—which is chaired by Uthai—that the United States no longer has any queries on the enforcement of copyright laws and no longer wants to hit back at Thailand.

Uthai also said in the letter that the trade negotiations were still continuing.

Besides, the minister argued in the same letter, Phiphat himself had sent a letter to the United States (under Phatchara's instructions) saying that the counterfeiting of music and videotapes was the responsibility of the (US) copyright holders. It was not because of the shortcomings of Thai officials, it said.

Uthai said that Phiphat's letter, which resulted in an angry response from the US music and videotape industry, had caused problems in later negotiations with America.

All along, sources said, Uthai and his advisers have been at odds with Phatchara about his negotiating strategy with the United States.

Uthai feels, according to the same sources, that Phatchara is not feeding him all available information.

The minister is paranoid that Phatchara might send him on a "political suicide mission," the sources went on to claim.

Henceforth, Uthai has been conducting a strategy to deal with Section 301 of the US Trade Act from the office of the Solidarity Party, of which he is the leader. And he is understood to have even paid for an extra lobbyist in Washington DC to supplement the Commerce Ministry's own lobby groups.

Uthai is seeking to do all he can to get Thailand off the "Priority Foreign Country" list, which subjects the country to possible retaliatory trade measures. This requires a different approach in dealing with Washington DC, the sources claimed.

Meanwhile, Chaloeysak Naksawat, a former deputy permanent secretary for commerce and a former director general of the Commercial Registration Department, described the order to investigate Phatchara and Sukhon as exaggerated and politicised.

He said he was in charge of the investigation of Patihan Bunsanong, who petitioned Uthai to open an investigation on the dismissal and found Patihan to have been in the wrong.

Minister Watches Bonfire of Pirate Tapes

*BK2004130193 Bangkok Radio Thailand Network
in Thai 1200 GMT 20 Apr 93*

[Text] At the Samsen Police Fire Brigade station today, Deputy Commerce Minister Churin Laksanawisit presided over the incineration of 200,000 music audiotapes which were obtained from counterfeit producers. Fire brigade members were there to help contain the blaze. Speaking with journalists afterward, Churin said the destroyed 200,000 music audiotapes, which were handed over by the Thai Tape and Phonograph Association, were valued at over 20 million baht. The association pledged not to abet the production of uncopyrighted tapes and would handle only lawful materials in compliance with the government policy.

The deputy commerce minister said some private U.S. groups have expressed satisfaction with the Thai Government's earnest action to date. He said he could not say what should be done next to avoid U.S. trade retaliation because there remained other U.S. investigation steps. The Thai Government will continue with its actions to prevent copyright violations.

Deputy Premier Details 'Earnest' Actions

*BK2004134893 Bangkok Radio Thailand Network
in Thai 1200 GMT 20 Apr 93*

[Text] Deputy Prime Minister Suphachai Phanitchaphak has said that the government's earnest action and its proposed formation of a tripartite committee on the copyright problem have been well received by the U.S. Government. The Thai Government will continue to follow up on the results of copyright violation suppression. At the same time, the U.S. Administration will present its data to a security commission [as heard] at the end of next week.

[Begin recording] [Suphachai] There should be a better atmosphere for discussion with the U.S. side about what plans we have to follow next after the actions we have already taken. We proposed the formation of a tripartite committee and use of several laws to control products, such as tapes, which could involve violation of the copyright law. I feel that the atmosphere is currently much better than at the beginning of this month. We will have to somehow agree on what should be the next suppression steps.

[Question indistinct]

[Suphachai] We cannot predict what the U.S. decision might be because they have to submit the USTR [United States Trade Representative] report to their national security commission. This will probably take place at the end of this week or early next week. So we cannot make a prediction. But I feel that our recent actions have enabled them to see that they were new, unlike previous actions when there was nothing new. They have told us that there has been considerable progress and the actions have been earnest. [end recording]

IPR-Protection Laws To Cover Software

*BK2104045393 Bangkok BANGKOK POST in English
21 Apr 93 p 1*

[From the "POST DATABASE" section, "the BANGKOK POST's weekly information technology section"]

[Text] Computer software will be included in the draft of a new copyright law that is being drawn up by the government, which has pledged tough action against all intellectual property rights [IPR] violations.

The draft, which is expected to be finished within the next three weeks, will also issue a clear statement that will not allow for compromises to be made with those found guilty of infringing the copyright law, according to Intellectual Property Department Director General Phiphat Intharasap.

Last week four local software vendors were raided for allegedly selling pirated software, while two shops were raided last year under the initiative of the BSA—an American firm committed to fighting software piracy worldwide. However, none of these cases have yet been tried in court, and therefore it is still not clear whether software is protected under the present copyright law.

Speaking to POST DATABASE about steps being taken to protect computer software under a new copyright law, Phiphat said that computer software was one of the major areas that needed intellectual property rights protection.

He added that the draft of a new copyright law would also include a provision that made intellectual property rights violators ineligible for compromises.

This, noted Phiphat, should encourage violators to take the law seriously and not "factor compromises into the cost of doing business." It would also protect the government from possible complaints that the government did not take any action in certain cases, he added.

Phiphat said, however, that the committee had to discuss the issue further and had yet to decide whether computer software should be incorporated as a separate law.

The intellectual property director general added that the existing law had many ambiguities and did not protect local intellectual property from being copied by other countries as well.

According to Phiphat, the new law would have clear statements specifying each issue, and would lay out how to deal with all types of products.

Law enforcement would also have to be done continuously to discourage violations as they were occurring today, he added.

He said the committee would take around three weeks to finish writing the draft, but confirmed that the draft would be ready on time to be included in the next parliamentary debate session.

Minister 'Understands' U.S. Use of 301

*BK2104152193 Bangkok Radio Thailand Network
in Thai 1200 GMT 21 Apr 93*

[Text] Interior Minister General Chawalit Yongchaiyut stated during an interview with newsmen today that the revision of laws and related measures taken to prevent copyright violations by his ministry are aimed at promoting fair trade and correctness, and to prevent businessmen from taking advantage of others. It is also directly aimed at protecting consumers—so that they would be able to buy products at fair prices. He said actions taken by the Interior Ministry were not motivated by whether or not the United States would use Section 301 against Thailand. The interior minister said no matter what the outcome is, Thailand understands why the United States must use Section 301. This is because products with intellectual property rights have high production costs. He said Thailand understands and he believes everything would be settled soon. He said the Commerce Ministry is reviewing several legislations on the issue, and we should give it some time to work. The interior minister stressed that even though Thailand faced U.S. retaliation under Section 301, his ministry would carry on the crack down against copyright violators on a continuous basis.

New IPR Talks With U.S. Urged

*BK2204064193 Bangkok BANGKOK POST in English
22 Apr 93 p 17*

[Text] Thailand has told the United States it considers a renewal of high-level negotiations on intellectual property within the next seven days to be "imperative" in order to avoid trade conflict.

The request was submitted to US Ambassador David Lambertson yesterday at a meeting with Commerce Minister Uthai Phimchaichon. Mr Lambertson said afterwards he could not comment on whether such a meeting would be possible. Thai sources said Mr Uthai is keen to make the trip to Washington himself.

Late yesterday evening Mr Uthai also received a recommendation from Commerce Permanent Secretary Phachara Itsarasena to appoint Deputy Permanent Secretary Suchai Chaowisit as acting director general of the Intellectual Property Rights Department.

Mr Suchai is said to have been the choice of Deputy Commerce Minister Churin Laksanawisit to replace the transferred director general, Phiphat Intharasup. Mr Phachara is reported to have submitted two alternative candidates, Deputy Permanent Secretary Kroek-krai Chiraphaet and Inspector Karun Kittisataphon.

All three have extensive experience in international trade negotiations and are considered close to Mr Phachara.

The Thai argument for more talks with Washington before April 30—the deadline for the US Government to announce whether it will retaliate against Thailand—is

based on the view that a brief "window of opportunity" exists Thai officials say public opposition to the crack-down on piracy is now muted and could remain so until Parliament reconvenes next month.

Yesterday's visit was the second by the ambassador to the Commerce Ministry in three days. Mr Lambertson declined to comment on whether recent efforts to crack down on copyright piracy meets US requirements. But he did say he appreciates the Thai Government's concern to keep him informed regularly.

According to one Thai source, officials are concerned that the US Government could decide to switch its investigation into Thailand away from the "Special 301" section of American trade law to Section 306.

Under Special 301, Washington has specified timetables for investigating and announcing what actions it will take on complaints of intellectual property rights violations and other allegations of unfair trade practices. Under Section 306, action could be taken at any time, the source said.

The source added that US officials are believed to be considering keeping Thailand on the "priority foreign country" list, the list of countries closest to retaliation, while progress in suppressing piracy in Thailand is monitored for another 30 days after the announcement due by April 30.

Mr Lambertson was told yesterday that it would be a "serious mistake" for Thailand to be given a 30-day reprieve because the political temperature is likely to rise when Parliament convenes next month and because government leaders are likely to be preoccupied with the criticisms of the opposition.

The result would be less action against piracy rather than more, according to the Thai argument, and public resentment against the Americans stirred up by opposition complaints.

Mr Lambertson was told that the most effective means of achieving results would be to avoid forcing the Thai Government to commit political suicide by appearing to cave in to the United States. The Chuan Government is the first in Thailand to recognise genuinely the need to strengthen copyright enforcement, he was told.

The Commerce Ministry was a scene of high tension yesterday following Tuesday's surprise order from Mr Uthai for Mr Phiphat to be transferred. Supporters of Mr Phachara were clearly upset by what they considered to be the latest in a series of actions against the Phachara faction.

They also challenged Mr Uthai's argument that negotiations with the United States had been ineffectual, countering that nine years of avoiding actual action against Thailand should be considered a success.

Some analysts say Mr Uthai was already personally dissatisfied with Mr Phiphat for rejecting the selection of another official, Suphakit Nimmannorathep, as deputy director-general.

Mr Suphakit was previously a commerce official in Chon Buri, Mr Uthai's constituency, and is now working as one of the minister's aides.

Mr Phiphat is said to have argued that he needed a deputy qualified in law to handle the legislation and other legal matters that feature in intellectual property rights issues.

Mr Suphakit is also said to be a close friend of Wanchai Bunsanong (now using the name Patihan Bunsanong) the former commerce officer for Chaiphum who was dismissed in 1986 and later reinstated. On Monday, Mr Uthai ordered an investigation into the roles of Mr Phachara and Business Economics Director General Sukon Kanchanalai in the dismissal.

Mr Uthai denied yesterday that his order to sack Mr Phiphat was interference in the affairs of permanent officials. He said he acted in the national interest in order to improve the negotiations with the United States.

Seminar Views U.S. Interests

BK2204042193 Bangkok THE NATION in English
22 Apr 93 pp B1, B3

[Excerpt] A representative of a major multinational entertainment company yesterday asked for assurances from Prime Minister Chuan Likphai that the Thai government will continue its efforts to get rid of copyright piracy even after the United States announces its trade watchlist at the end of the month.

Speaking at the roundtable seminar entitled "A Roundtable with the Government of Thailand" organized by THE ECONOMIST, Brandt A Handley Disney's area director for the Asean region, said Tuesday's burning of 200,000 illegal tapes demonstrated "Thailand is moving to be right direction."

But Handley said he hoped the "burning ceremony" would not only be a showcase by the Thai government in its efforts to avoid trade retaliation under US trade law Section 301. In addition, he said that the suppression of pirate goods should not be limited to tapes and videos, but should include all types of counterfeit goods.

Currently, Thai and US officials are in the midst of a controversial trade dispute over intellectual property rights violations in this country. The US Trade Representative is expected to decide at the end of this month whether the United States will impose trade sanctions against Thailand.

The issue of the intellectual property rights dominated discussions during the morning of the first of a three-day roundtable on Thailand's economy. Delegates to the forum, led by Prime Minister Chuan Likphai, include

several ministers and about 90 leading businessmen from around the world. Participants are expected to discuss a range of topics dealing with Thailand's economic outlook.

In response to Handley's remarks, Prime Minister Chuan said his government is committed to eliminating copyright violations in the country.

"The government has no vested interest whatsoever in counterfeiting or violating any intellectual property rights protection," he said.

Deputy Prime Minister Suphachai Phanitchaphak echoed the Prime Minister's statement and outlined a string of government actions recently initiated to improve the intellectual property protection.

Suphachai said Thailand plans to become a signatory to the Paris Berne Convention, which requires countries to protect the intellectual property rights of artistic works. The government also plans to set up a tripartite committee, consisting licence holders, representatives from the US embassy and the Thai government to monitor violations.

A US Senate sub-committee recently said US industries loses more than US\$60 billion a year through the sales of counterfeit and copied goods made in other countries.

Disney's Handley told the forum that if the Thai government enforced tough laws against copyright pirates, Disney would be able to triple its turnover in the country. Disney currently earns about US\$10 million in the sales of tapes, videos, stationary, clothes and books in Thailand.

"Thailand is towards the bottom (in intellectual property rights protection) among the Asean countries," Handley said.

Asked how he feels about the US threat of using the Section 301 trade law against Thailand, Handley said the trade law is there to make countries like Thailand work hard to improve intellectual property rights.

"That's why the Section 301 is (existing) there," he said.

Handley also said he supported the US government's current inclusion of Thailand on the Priority Foreign Country List.

William Webb of Philip Morris Asia, a major cigarette distributor of brands like Marlboro, said there are too many restrictions on cigarette sales in Thailand. Despite the government's decision to allow cigarette imports, Webb said, "The market is virtually closed."

Webb cited two major difficulties with trying to penetrate the Thai market: the monopoly of Thailand Tobacco Monopoly and skyrocketing import duties.

What we want is a level playing field with our Thai counterparts," he said. "Right now, the market, although it says open, it seems closed to me."

Currently, Philip Morris enjoys a very small 2.5 per cent share of the imported cigarette market in the country, Webb said. [passage omitted]

Polish Deputy Premier Holds News Conference 21 Apr

BK2104030793 Bangkok THE NATION in English 21 Apr 93 p A3

[Text] Poland is strengthening trade ties with Thailand and hopes to use the country as the gateway to Southeast Asia, Polish Deputy Prime Minister Henryk Goryszewski said yesterday.

Goryszewski told a press conference at the end of his four-day visit here that Poland and Thailand had agreed to increase trade, with Thailand using Poland as a gateway to Europe.

"The Polish trade balance with Thailand is negative so we came to increase Poland's exports," Goryszewski said. "Thailand also looks to Poland as a gateway to central and eastern Europe."

During his visit Goryszewski held talks with Deputy Prime Minister Suphachai Phanitphakdi and several ministers, including Commerce Minister Uthai Phimchaichon, Foreign Minister Prasong Sunsiri and Industry Minister Sanan Kachonprasat.

He said his government is trying to build a new market economy after the collapse of communism in Poland.

Poland was the first country in Eastern Europe to introduce radical changes to restructure a centrally planned and managed economy into one based on market principles and private ownership.

The Polish Government has been demonopolizing and decentralizing the economy, including foreign trade, he said.

To stimulate Poland's economic development, the Polish Government is encouraging the growth of a strong and dynamic private sector.

"Some 50 per cent of Poland's GDP (gross domestic product) is produced by private companies and enterprises," he said.

Wants To Reduce Trade Deficit

BK2104050593 Bangkok THE NATION in English 21 Apr 93 p B3

[Text] Poland's deputy prime minister for the economy said yesterday that his country wants to reduce its trade deficit and increase business with Thailand to improve its economic access to markets in the region.

"We are eager to reduce our trade deficit as well as expand our economic ties both here in Thailand and in

countries in Indochina, using Thailand as the gateway," Henryk J. Goryszewski said, speaking during a four-day visit to Thailand.

Goryszewski and Tadeusz J Lisek, director of the Economic Relations department of the Polish Ministry of Foreign Affairs, were in Thailand as part of a delegation to discuss economic relations between the two countries. Others in the group included 11 leading Polish businessmen—four from private companies and the rest from state enterprises currently under the process of privatization.

Currently, Thailand enjoys a trade surplus with Poland. In 1992, the country imported only US\$120 million of Polish goods, while Poland imported US\$300 million worth of Thai products. In 1991, Poland imported US\$440 million worth of goods from Thailand.

Thai products usually imported by Poland include textiles and garments, computer components, natural rubber and 25,000 tonnes of tapioca, which was imported by that country for the first time in 1993.

Meanwhile, Poland sees potential opportunities for penetrating the Thai markets by investing in shipbuilding, transportation, and infrastructure development.

Goryszewski said that while Thailand offers Poland many opportunities to gain access for Polish products to Indochina, Poland could return the favour by providing Thai exporters with an opportunity to sell their products to countries in Eastern Europe and the former Soviet Union.

Goryszewski said one important and successful mission of his visit to Thailand has been his discussions with the Thai Government about measures to strengthen capital cooperation between the two countries. But the deputy prime minister declined to provide details of the talks.

Polish exporters can be expected to benefit from Thailand's plans to set up an Export-Import Bank that would provide loans to Thai exporters. Poland's businessmen could use the bank to access loans that might be more difficult to secure in their own country.

Goryszewski also urged Thai banks to establish branches in his country. Poland already has more than 100 banks, both Polish and foreign, he said.

Asked whether Polish politics, which have only recently emerged from 50 years of communist rule, will affect the investment atmosphere in Poland, Lisek said the government is working to change the economic environment, but Poland is ready for investment, and Polish businessmen are now ready to do business.

"Yes, we are going through a transformation, but it's the government's duty to deal with that, not the businessmen," said Lisek.

Zbigniew K. Rosalski, managing director of a state-owned machinery equipment company, said he sees [as] many the possible opportunities for moving his products

on the Thai market, and he referred to the possibility of becoming involved in projects in the Northern Thailand.

"I know that Thailand is in the process of deciding to cut roads through southern China, and that's probably where our company can fit in," said Rosalski.

Vietnam

Further Reportage on General Vessey's Visit

VNA Carries Communique

BK2204015993 Hanoi VNA in English 1439 GMT 19 Apr 93

[Text] Hanoi VNA April 19—The following communique was issued at the end of the visit to Vietnam by General John Vessey, special [words indistinct] US President Bill Clinton:

As agreed by both governments, General John Vessey, President Clinton's special emissary to Hanoi for POW/MIA affairs, led a U.S. delegation to Hanoi April 18-19 for a full range of discussions with officials of the Socialist Republic of Vietnam. While in Hanoi, General Vessey paid a call on President Le Duc Anh the afternoon of April 19. The Vietnamese side was led by Foreign Minister Nguyen Manh Cam and included the deputy ministers of defence, interior and foreign affairs, as well as officials concerned with the issue of searching for missing persons in Vietnam. The U.S. side included representatives of the National Security Council, the Department of State, the Department of Defense and the joint task force-full accounting. [as received]

The U.S. side reaffirmed President Clinton's objective of achieving the fullest possible accounting for missing American servicemen from the Vietnam war. General Vessey stressed that the most immediate issue to be addressed was the serious concern raised in America by the document the United States had just received in Russia regarding the number of POWs held during the war. General Vessey also stressed the importance of answering the questions raised by the document and his hope that the two sides would cooperation [as received] on the matter.

Concerning the Russian document recently obtained by the American side, the Vietnam side rejected the information contained in it as completely inaccurate and not reflecting the reality which existed during the war. At the same time, the Vietnamese side expressed its willingness to assist the United States regarding this matter. To this end, the Vietnamese side arranged for General Vessey to meet with retired Lieutenant General Tran Van Quang, whose name appears in the document, as well as retired Lieutenant Colonel Doan Hanh, a former official of the POW prison system. The U.S. side expressed its appreciation for the cooperation of the Vietnamese Government on this matter.

In response to previous American requests, the Vietnamese side provided important documents from the archives of the General Political Directorate and other archives listing American POWs held during the war as well as American servicemen who died in captivity in southern and central Vietnam. The U.S. side indicated these documents will assist in its efforts to account for U.S. servicemen. They also appear to shed light on the Russian document but further analysis is required. General Vessey indicated that he would report immediately to President Clinton upon his return about all of these developments.

The two sides also carried out a full review of all areas of POW/MIA cooperation. They agreed that substantial progress is being made and agreed that further action was necessary in order to increase this progress. Both sides agreed they would join officials of the Government of Laos for trilateral talks on POW/MIA cooperation to be held May 6-8 in Hanoi. Both sides also agreed to establish a new joint team to accelerate investigation of the remaining American discrepancy cases. There also was agreement in principle on the work plan for activities to investigate cases of missing Americans during the remainder of 1993. The Vietnamese side provided new information about other unilateral steps it has taken to assist in POW/MIA accounting. Foreign Minister Cam provided General Vessey with seven documents obtained from Vietnamese citizens including sketches and maps of reported grave sites of American servicemen. The two sides indicated they would investigate these reports during their next joint field investigation.

At General Vessey's request, Minister Cam also briefed the U.S. side on the results of the recently started "Amnesty" program designed to induce Vietnamese citizens to turn over possible remains of U.S. servicemen which they are holding. As a result of this effort, on April 7 the U.S. side repatriated remains associated with multiple individuals from eight wartime incidents. The Vietnamese side also provided a review of the humanitarian needs of Vietnam for consideration by the United States.

General Vessey noted this information and indicated he would convey it to President Clinton when he meets with him upon his return. General Vessey also expressed confidence that the U.S. would assist Vietnam in [passage indistinct] U.S. side reiterated the United States' strong condemnation of recent acts of murder carried [words indistinct] Cambodia. It also reviewed [words indistinct] international community to halt these heinous acts. The Vietnamese side [words indistinct] for these steps [word indistinct].

General Vessey expressed his appreciation to the Government of Vietnam for the cooperation and assistance provided to him during this mission.

Radio Reports 19 Apr News Conference

BK2204084393 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 21 Apr 93

[Report on joint news conference held by General John Vessey and Foreign Minister Nguyen Manh Cam in Hanoi on 19 April; portions recorded are within quotation marks; Gen. Vessey's remarks are in English fading into Vietnamese translation]

[Text] Dear friends, as agreed by the SRV and U.S. Governments, General John Vessey, special envoy of U.S. President Bill Clinton led a U.S. delegation to visit Vietnam on 18-19 April for a full range of discussions with officials of the SRV on the POW/MIA issue. The following is the report on the activities of the U.S. delegation in Vietnam condensed from the news conference in Hanoi.

During their two-day visit to Vietnam, the U.S. delegation led by Gen. John Vessey, special envoy of U.S. President Bill Clinton, called on SRV President Le Duc Anh.

The U.S. and Vietnamese sides held talks on problems related to the MIA issue and on the document concerning American POW's which the United States just received from Russia.

At the end of the visit, Gen. John Vessey and SRV Foreign Minister Nguyen Manh Cam held an international news conference in Hanoi on 19 April to brief newsmen on the results of the visit.

At the news conference Gen. John Vessey said: "The U.S. side asserted President Bill Clinton's objective of achieving the fullest possible accounting of missing U.S. servicemen in the Vietnam War. I would like to stress that the most immediate issue to be addressed was the serious concern raised in America by the document the United States had just received from Russia regarding the number of American POW's held during the war. I would like also to stress the importance of answering the questions raised by the document and I hope that the two sides will cooperate on the matter.

"Regarding the Russian document recently obtained by the U.S. side, the Vietnamese side rejected the information contained in it as being completely inaccurate and not reflecting the reality which existed during the war. At the same time, the Vietnamese side expressed its willingness to assist the U.S. regarding this matter. To this end, the Vietnamese side arranged a meeting between myself and Lieutenant General Tran Van Quang, whose name appeared on the document, as well as retired Lieutenant Colonel Doan Hanh, a former official of the POW prison. The U.S. side expressed its appreciation for the cooperation of the Vietnamese Government on the matter.

"In response to the previous requests by the U.S. side, the Vietnamese side provided important documents

from the archives of the Army General Political Department and other archives listing American POW's held during the war as well as other U.S. servicemen who died in captivity in southern and central regions of Vietnam. The United States contends that these documents will assist in its efforts to account for U.S. servicemen listed as missing. These Vietnamese documents appear to shed light on the Russian document if further analysis is required. I will report all these developments to President Bill Clinton immediately after my return to the United States.

"Both sides also carried out a full review of the POW/MIA cooperation in all areas. The two sides unanimously agreed that substantial progress has been made and contended that further action is necessary in order to accelerate this progress. Both sides agreed that they would join officials of the Government of Laos for trilateral talks on resolving the POW/MIA issue to be held on 6-8 May in Hanoi. Both sides also agreed to establish a new joint team to speed up investigation of the remaining American discrepancy cases. They also reached agreement on the principle of the work plan for activities to investigate cases of Americans missing in action during the remainder of 1993."

Gen. John Vessey said: "The Vietnamese side provided new information about the unilateral steps it has taken to assist in the POW/MIA accounting. Foreign Minister Nguyen Manh Cam has handed over to me seven documents obtained from Vietnamese citizens, including sketches and maps of reported grave sites of American servicemen. The two sides indicated that they would use these reports during their next joint field investigation. The Vietnamese side also provided a review of the humanitarian needs of Vietnam for consideration by the United States. I took note of this issue and will report this issue to President Bill Clinton when I meet him upon my return to the United States. I am confident that the U.S. will assist Vietnam in its efforts to resolve the issue of Vietnamese missing in action and its war dead."

Gen. John Vessey further said: "The two sides also discussed the Cambodian issue. The U.S. side asserted its strong condemnation of recent acts of massacre carried out against Vietnamese residents in Cambodia. The U.S. side also reviewed its measures—together with other countries in the international community—to halt these brutal acts. The Vietnamese side highly appraised these steps of the United States. I would like to say that I appreciate the cooperation and assistance provided to me by the Vietnamese Government during my visit."

Answering a foreign newsman's question on his general conclusion about the recently obtained Russian document relating to Lt Gen Tran Van Quang, Gen. Vessey said: "I have talked to Lt. Gen. Tran Van Quang, and, following our conversation, I can say that he was not the deputy chief of staff as mentioned by the document. During that time he was commander of the B-4 combat operation units. I cannot give you a general conclusion

regarding the Russian document, but what Lt. Gen. Tran Van Quang told me is in conformity with what we knew about his role and position during that time. As a result, I have no reason to disbelieve Lt. Gen. Tran Van Quang's statement."

Answering an American reporter's question concerning whether he has any doubts at all about the Russian document after a two-day working visit to Vietnam, Gen. John Vessey said: Yes, the Vietnamese side has handed over to us a number of SRV Government documents related to the period in question and the list of American POW's in Vietnam. I think that these documents will shed light on some data mentioned in the Russian document.

SRV Foreign Minister Nguyen Manh Cam, in an effort to provide further clarification on the Russian document to reporters at the news conference, said:

"In my meeting with Gen. John Vessey, we exchanged views on various issues, especially the issue related to the Russian document. First we reviewed developments in resolving the 135 MIA discrepancy cases. Our cooperation on this matter during the past year resulted in handing over to Gen. Vessey a number of documents earlier requested by the U.S. side. We provided the list of U.S. POW's released in the past. We also provided Gen. Vessey with documents that will shed light on the Russian document. All these documents were handed over to the U.S. side in the framework of the cooperation between the two sides carried out during the past period. Regarding the Russian document just mentioned by Gen. Vessey, I would like to add the following:

"Concerning the author of the article on the Russian document, we still do not know the author's motive in this matter or where he obtained this document. The contents mentioned in the document are totally inaccurate. The document says that its contents were based on the report made by Lt. Gen. Tran Van Quang to the party Central Committee Political Bureau on 15 September 1972. This is totally inconsistent with reality. First, during that time, Lt. Gen. Tran Van Quang was not deputy chief of General Staff, but commander of the 4th Military Region. During that time of fierce fighting, he was very busy and had no time, conditions, or the responsibility to take up general problems nationwide. Second, the Army General Political Department takes responsibility on the POW issue, not the Army General chief of staff. Third, we checked with the party Central Committee Office and were told that there was no meeting of the party Central Committee Political Bureau on 15 September 1972. Fourth, the data in the Russian document were inconsistent with reality and the number of U.S. high-ranking officers captured by Vietnam was too high compared to reality."

To conclude the news conference, Foreign Minister Nguyen Manh Cam asserted Vietnam's policy on resolving the MIA/POW issue. He said:

"I would like to assert that Vietnam's policy on the POW/MIA issue has been based on a humanitarian stand. This is the long-standing tradition of the Vietnamese nation. We have set no prerequisites or political conditions in the normalization of relations between the United States and Vietnam. We provide cooperation in the POW/MIA issue on the basis of implementing the humanitarian tradition of our nation. We do not provide cooperation on this matter to gain normalization of relations with the United States. As a result, we will continue to sincerely cooperate with the United States on this issue with or without the normalization of relations. To this end, we will continue our efforts in resolving the remaining problems."

Radio Reviews World Opinion on 'Fake' POW Document

BK2204105193 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 20 Apr 93

[Text] Dear friends: A number of miscreants in the United States recently spread the news that Vietnam was still holding over 700 American prisoners of war, just as they spread those fake documents and photographs they produced earlier about American survivors in Vietnam. This is a totally brazen fabrication which has been strongly criticized by the public. In today's International Topic feature, we would like to review public opinion about this news report.

THE NEW YORK TIMES on 12 April reported that a secret document found in Moscow showed that after 1973, there were over 700 American prisoners of war still held in Vietnam. Mr. Nguyen Xuan Phong, acting chief of the Vietnamese Foreign Ministry North Americas Department, regarded this news report as sheer fabrication and once again pointed out the fact that after the signing of the Paris agreement in 1973, Vietnam returned to the United States all American prisoners captured in Vietnam.

According to figures provided by the U.S. Departments of Defense and State, there were 1,172 Americans missing in action still unaccounted for in Indochina. Of them, there were only 798 cases in Vietnam.

With its humanitarian cooperative efforts, Vietnam has thus far handed over to the United States more than 500 sets of American remains and has conducted joint investigations into over 70 reports on live Americans and into 135 cases of questionable dossiers. The results showed that there was no evidence of any American prisoners of war now being detained or living freely in Vietnam.

In an interview with AP, Mr. Nguyen Xuan Phong said that this document might have been fabricated by those opposing the normalization of Vietnamese-U.S. relations.

Meanwhile, according to BBC, the U.S. secretary of defense said in Washington on the evening of 14 April that the Russian translation of the document alleging

that North Vietnam was holding over 700 American prisoners of war should be given careful consideration.

The British newspaper FINANCIAL TIMES carried an article on 15 April dealing with the American missing in action during the Vietnam War. The article said: Vietnam is not the only one to regard as fake the document recently made public by a U.S. agency on the figure of American prisoners of war in Vietnam.

The article went on: The U.S. Senate is increasingly inclined toward the view that the best way to ensure progress in the MIA issue is to establish a close relationship with Vietnam. The press article also made it known that recently Democratic Senator Claiborne Pell, chairman of the Senate Foreign Relations Committee; and Republican Senator Lugar wrote U.S. President Clinton, calling on him to lift the embargo against Vietnam.

In a statement made public on 12 April, Senator John Kerry, former chairman of the U.S. Senate Select Committee on POW/MIA Affairs, said: The document alleging that there were over 700 American prisoners of war still detained in Vietnam should be examined and analyzed carefully. The translation from Vietnamese into Russian might lead to a misinterpretation of the nationalities of the prisoners of war held captive.

According to a 14 April dispatch of RFI [Radio France Internationale] and Radio Australia, immediately after this suspenseful news report was released by THE NEW YORK TIMES, the U.S. Government appeared to be cautious. The U.S. Departments of State and Defense did not rule out misinterpretations and mistakes.

Other newspapers in the United States such as THE WALL STREET JOURNAL, THE LOS ANGELES TIMES, and THE WASHINGTON TIMES all expressed doubts over the authenticity of the document and suggested that the figure of 1,205 American prisoners of war raised in the document may include hundreds of Saigon puppet regime prisoners of war and other Asians classified in the same category with the Americans because they were U.S. allies.

Public opinion in the United States and in many other countries also exposed the ugly attempts of those forces in the United States and in other countries to block and undermine the process of normalization of Vietnamese-U.S. relations as they are trying to deliberately spread misleading news on the POW/MIA issue.

Under its Current Affairs Trends column, the newspaper SAIGON GIAI PHONG on 15 April gave the following comment on this matter:

It should be recalled that in the POW/MIA issue alone, the tricksters have showed that their inventive power is very abundant. One cannot help but remember various cases such as those fake photographs which once sparked controversy among the U.S. public, or an allegation by

an ex-Russian intelligence official that a group of American prisoners of war had been sent to Russia, or a claim by a high-ranking Russian personality that there were American prisoners of war in Russia. When brought to light, these stories turned out to be 100-percent fabrications. Former U.S. President Bush once complained that those with no conscience benefited from the agony of others and that this was an outrageously immoral act indeed.

Foreign Minister Views DPRK's Nuclear Policy

AU2004141893 Munich FOCUS in German 19 Apr 93
p 155

[Interview with Foreign Minister Nguyen Manh Cam by Gaby Neujahr; place and date not given: "Settlers Against Saboteurs"]

[Text] [Neujahr] North Korea canceled its membership of the Nonproliferation Treaty. Do you feel threatened?

[Nguyen Manh Cam] We want the existing agreement on a nuclear-free zone between North and South Korea to be implemented. In any case, however, the question must be settled among the parties concerned in the region. Here the right to self-determination of the affected countries must be taken into account.

[Neujahr] Does that mean that the IAEA in Vienna and the United Nations should keep out?

[Nguyen Manh Cam] All involved in this conflict must show patience. A settlement or a compromise that pleases all involved parties must be found.

Moreover, those involved in the conflict must learn to listen better to their respective counterparts.

[Neujahr] That is to say, you do not feel threatened by North Korea's deviation and do not see a threat to Asia's security?

[Nguyen Manh Cam] I am convinced that a willingness to settle all controversies peacefully will gain the upper hand. All in this region are striving for peace and stability.

[Neujahr] At least this statement does not apply to your neighbor, Cambodia. How do you assess the chances of the UN peace plan?

[Nguyen Manh Cam] There is no doubt that the Khmer Rouge are sabotaging the Paris Accord. Again and again, they kill UN soldiers and Vietnamese farmers living in Cambodia.

The nations of the world must condemn these murders by the Khmer Rouge, these bloody deeds. We are trying to prevent the sabotage acts of the Khmer Rouge with the help of the Vietnamese settlers in Cambodia.

[Neujahr] What do you expect in the way of cooperation with Germany after Foreign Minister Kinkel's visit?

[Nguyen Manh Cam] We want to clearly intensify cooperation with Germany, particularly in the field of economy. Germany is a highly developed country, which is far from having exhausted its potential in Asia. The Germans should not concentrate only on Europe. They should widen their horizon to Asia and the Pacific region.

[Neujahr] Amnesty International is accusing your country of human rights violations. What does your government want to do?

[Nguyen Manh Cam] The humanitarian policy of forgiveness is a long-standing tradition for us. The citizens' rights are accepted. There are no human rights violations.

However, people who call for the violation of our constitution are punished. Basically, however, only people who break laws are convicted in Vietnam.

[Neujahr] Klaus Kinkel gave you a list from Amnesty International. What will be done with it?

[Nguyen Manh Cam] We will examine the list with benevolence and goodwill. Moreover, we permitted the human rights commissioner of your government to convince himself of the situation on the spot.

Le Duc Anh Congratulates New DPRK Defense Head

BK1704154593 Hanoi VNA in English 1350 GMT 17 Apr 93

[Text] Hanoi VNA April 17—Chairman of the National Defence Council Le Duc Anh yesterday congratulated Kim Chong-il on his appointment as chairman of the National Defence Commission of the Democratic People's Republic of Korea.

In his congratulatory message, Chairman Le Duc Anh wished for further consolidation and development of the friendship and cooperation between the two countries.

Prime Minister Receives Malaysian Businessmen

BK2104150393 Hanoi VNA in English 1441 GMT 21 Apr 93

[Text] Hanoi VNA April 21—Prime Minister Vo Van Kiet received here this afternoon Tun Daim Zainuddin, former minister of finance and now economic advisor to the Malaysian Government, and a number of Malaysian businessmen on a current visit to Vietnam.

Minister of Finance Ho Te and Malaysian Ambassador N. Parameswaran were on hand at the reception.

Prime Minister Vo Van Kiet welcomed the Malaysian guests, who were visiting Vietnam to exchange experiences and inquire into possibilities to broaden cooperation in the financial and monetary fields between the two countries. He highly valued the good development in the Vietnam-Malaysia cooperation in general, and in the

financial field in particular. He expressed his hope that the two countries further promote the relations of cooperation, mutual benefit, mutual trust and assistance in the interest of each country and the region as well. He said he hoped that with the cooperation and assistance of the Malaysian Government and its financial branch, Vietnam would gain successes in this field.

In his reply, Mr. Tun Daim Zainuddin highly appreciated Vietnam's achievements in its renovation process, especially its results and experiences in the control of inflation in the past time. He affirmed that Malaysia was willing to share with Vietnam its experiences in managing the government budget, and state-run enterprises and establishing stock exchange markets, and to send experts to help Vietnam.

Hanoi Radio Carries Draft Law on Land

Part One

BK1004100993 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 6 Apr 93

["First part" of the draft law on land, to be discussed and ratified by upcoming third session of the ninth National Assembly]

[Text] Land is a very valuable national asset and a particularly important, irreplaceable means of production for agriculture and forestry. It also constitutes an element of primary importance of the life environment and a channel for implementing population distribution programs and for building facilities in support of socio-economic and cultural development as well as of national defense and security protection. Many generations of our people devoted much strength and made countless sacrifices in blood and bones before they could earn and successfully preserve this land we presently inherit.

The objectives of this law are to define the rights and responsibilities of all organizations and individuals toward land utilization and preservation to preserve the life environment, put land management and utilization under close control, rationally and effectively exploit land, and contribute to the tasks of promoting socioeconomic development and of building and defending the socialist Vietnamese fatherland.

Pursuant to Articles 17, 18, and 84 of the Constitution of the Socialist Republic of Vietnam [SRV] and in furtherance of the 1988 Law on Land, this law defines land management and utilization procedures as well as land users' rights and responsibilities.

Chapter I: General provisions

Article 1: Land belongs to the entire people and is subjected to uniform state management. The state allots land to economic organizations, families, military units,

state agencies, social organizations, and individuals hereby called land users to till on a long-term basis. The state also leases land.

Article 2: The state is to determine the values of different categories of land and use them as criteria for computing taxes and other charges. The government is to submit the list of land prices to the National Assembly Standing Committee.

Article 3: 1. Once they have tilled land on a stable basis and that fact has been recognized by local authorities and people, land users will obtain land utilization certificates from the state.

2. The state shall not approve requests for ownership of those pieces of land already allotted in the framework of implementing the various land policies of the Democratic Republic of Vietnam [DRV], the Provisional Revolutionary Government of the Republic of South Vietnam [PRGRSVN], and the SRV state.

Article 4: It is the policy of the state to encourage organizations and individuals at home and abroad to invest manpower, materials, and capital as well as apply scientific-technical innovations to increase the value of land use, to promote intensive cultivation, to apply multicropping, to increase the efficiency of land use, to reclaim wasteland, to build sea dikes, to cover empty land and bare hills with greenery, and exploit sandy soil along coastal areas to increase the hectareage under agriculture, forestry, aquaculture, and salt production. It is necessary to preserve and to increase the fertility of land as well as use land in an economical manner.

Article 5: The state guarantees the legitimate rights that land users are entitled to on those plots of land allotted to them. It also allows them to transfer the right to land use to other people or to give this right to their heirs in accordance with state law. Land users must complete procedures required by land offices and must pay taxes and other charges in accordance with state law. They are also dutybound to preserve land and improve its fertility as well as use it in a rational and efficient manner.

Article 6: All acts of buying, selling, or using land at variance with the law on land are strictly prohibited because such moves could destroy land.

Article 7: The government is to exert uniform state management over land countrywide. People's committees at all levels are to exert state management over land in localities under their jurisdiction as defined by the authority given to them under this law. Regarding the responsibility to secure uniform state management over land, chiefs of land management agencies at the central level are accountable to the government and chiefs of land management agencies at the local level are accountable to people's committees at the same levels.

Article 8: Ministers, heads of ministerial-level agencies, and directors of government agencies shall, within their

rights and responsibilities, organize and oversee land use by the various sectors concerned.

Article 9: The National Assembly shall exercise its decision-making right and its supreme supervision over land management and land use nationwide. The people's councils at various levels shall exercise their decision-making right and their right to supervision over land management and land use within their localities concerned.

Article 10: The Vietnam Fatherland Front and other member organizations of the front as well as other social organizations, economic organizations, people's Armed Forces units, and citizens are dutybound to help state organs enforce various measures aimed at protecting and utilizing land rationally and economically in accordance with plans and the law.

State organs, within their duties and powers, are responsible for fully considering petitions from economic and social organizations, from people's Armed Forces units, and individuals in the enforcement of measures aimed at protecting and utilizing land.

Article 11: Based on main utility purposes, land shall be divided into the following categories:

- a. Agricultural land.
- b. Forestry land.
- c. Land inside rural population centers.
- d. Urban land.
- e. Multipurpose land.
- f. Unused land.

Chapter II: Land Management System

Article 12: The purposes of the state's land management consists of:

- a. Investigating, surveying, measuring, and appraising land and drawing up land registry maps.
- b. Planning land use.
- c. Setting up management systems and regulations for land use and directing the implementation of these systems and regulations.
- d. Delivering land for management, taking back land, administering the transfer of the right to use land, and leasing land.
- e. Registering land, establishing and administering land registry books, administering land use contracts, preparing land statistics, and issuing land title deeds.
- f. Inspecting the implementation of various systems and regulations on land management and land use.
- g. Solving land disputes as well as complaints and denunciations concerning land use.

Article 13:

- a. The government shall direct the provincial and city people's committees under the central authority to conduct land investigation, land surveys, land measurements, and land appraisals.

b. The people's committees at various levels shall direct their subordinate land management organs to closely monitor and administer changes in space, soil categories, and land users and shall promptly rectify land-related documents to suit the present state of land use in their localities concerned.

Article 14:

a. The government shall direct and organize the preparation of land registry maps on a national scale.

b. The provincial and city people's committees under the central authority shall direct and organize the drawing up of land registry maps in their respective localities.

c. Land registry maps shall be drawn at the village administrative unit level or at corresponding levels.

d. Original registry maps shall be stored at the central land management organ.

e. The central land management organ shall issue stipulations on how to draw up land registry maps.

Article 15:

a. The government shall map out programs and plans for land use nationwide.

b. The people's committees at all levels shall draw up land use programs and plans within their localities and shall present them to relevant people's councils for approval prior to submitting them to authoritative organs for consideration and approval.

c. All sectors, depending on their duties, shall map out land use programs and plans for areas under their responsibility and then present them to authoritative organs for consideration and approval.

d. Land management organs at the central and local levels shall cooperate with relevant sectors in helping the government and the people's committees at various levels draw up programs and plans for land use.

Part Two

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[Text] Article 16:

1. Land Planning

a. Efforts must be made to zone off agricultural, forestry, residential, and unused land in areas of each locality throughout the nation.

b. Adjustments in zoning off these land areas should be made at intervals to suit each stage of the socioeconomic development program in each locality throughout the country.

2. Land Use Plan

a. Efforts must be made to zone off land use in different periods and planning stages.

b. Adjustments to land use plans should be made at intervals to suit planning.

Article 17: Power in approving land use plans

1. The National Assembly shall decide on land use plans on a nationwide scale at the recommendation of the government.

2. The government shall examine and approve land use plans submitted by ministries, provinces, and municipalities directly subordinate to the central government.

3. People's committees of higher echelons shall examine and approve land use plans submitted by people's committees of the lower echelons.

4. Authorized state agencies are entitled to grant permission for the supplementing or amendment of the land use plans they have examined and approved.

Article 18: Land allotment will be granted based on the following criteria:

1. Land use plans must be examined and approved by authorized state agencies.

2. Land use must conform with the requirements stipulated in the economic-technological dialectics or in projects and applications for land allotment which have been approved by authorized state agencies.

Article 19: The state allots land to organizations and individuals for long-term use. The period for long-term use of land for annual crop cultivation or for aquaculture is not more than 20 years. Allotment of land for one or two cycles of long-term plants can be applied to this category depending on each kind of plant. Land users who—at the end of their term—prove that they have used the land effectively, abided by the law, and complied with the required conditions, are entitled to use the land for another term. The government shall define the period of land use for other categories.

Article 20: Allotment of land already occupied by one user to another can be made only after the land in question is recovered.

Article 21: Those who are allotted land by the state for use in agro-forestry-fishery production are exempted from paying fees on land use. Those who are provided with land for other purposes must pay fees on land use. The government shall define fees on land use and exemption categories.

Article 22: Power to allot land for other purposes not related to agricultural and forestry production is defined as follows:

1. The National Assembly Standing Committee shall approve the government's annual plan on allotment of agricultural and forest land for other purposes.

2. The government shall examine annual plans of people's committees of provinces and municipalities directly subordinate to the central government on allotment of agricultural and forest land for other purposes. It shall decide on allotment of land for various objectives when warranted.

3. People's committees of provinces and municipalities directly subordinate to the central government shall decide on:

a. Whether to provide no more than one hectare of agricultural, forest, and residential land, and no more than two hectares of fallow land and bare hills to each project not in the categories of item 3 (B) of this article.

b. Whether to provide not more than three hectares of agricultural, forest, and residential land, and not more than five hectares of fallow land and bare hills to each road and railway building project; projects for laying water, oil, and natural gas pipes; and projects for installing electric lines and building dams and dikes.

c. Whether to provide agricultural or forest land for individuals to build their houses, and whether to provide land for specific purposes or for building houses and urban land in accordance with the standards set by the government.

d. Whether to provide land in the rural areas to households to build houses, and whether people's committees of districts, wards, cities or provinces shall, on the basis of this plan, provide land to each household.

Article 23: The power to allot land for use in agriculture and forestry is defined as follows:

1. Provincial or city people's committees directly subordinate to the central government have the power to allot land to economic units.

2. District, district capital, or city people's committees subordinate to the provincial government have the power to allot land to households and individuals.

Article 24: State agencies vested with the power to allot land under Articles 22 and 23 of this law are not allowed to delegate their power to lower echelons.

Article 25: The state shall recover all or part of those plots of land already allotted if they meet the following criteria:

1. The organizations using the land are dissolved, go bankrupt, move to other places, or need less land but do not fall under those categories specified under Article 27 of this law. The land users pass away but do not have successors to inherit the right to use those plots of land.

2. Land users voluntarily return the plots of land previously allotted to them.

3. The period for use of the land expires.

4. There is failure to till plots of allotted land for 6 consecutive months without approval from authorized state agencies.

5. Land users deliberately attempt to avoid fulfilling their obligations toward the state as specified under the law.

6. There is a failure to use land according to set goals.

7. There is a failure to allot land according to the power specified under Articles 22 and 23 of this law.

8. Land is needed to meet national defense and security requirements as well as to serve other national interests.

Article 26: State agencies vested with the power to allot certain plots of land shall be authorized to recover those same plots of land. The recovery of land to meet other goals must comply with planning requirements and other plans already approved by authorized state agencies. Land users should be notified beforehand of reasons for land recovery as well as of relocation and compensation plans. In case of emergencies arising from wartime situations or natural disasters, land requisition shall be decided by district, precinct, district capital, or city people's committees subordinate to the provincial- or upper-level governments, based on the recommendations of local military commands or natural disaster control and prevention steering committees.

Article 27: Transferring the right to use land is prohibited under the following circumstances:

1. The land is used to serve illegal purposes.

2. The land was allotted to state agencies and social organizations for use free of charge.

3. Land users do not possess real estate licences or have not used the land according to set goals for a minimum period of time set by the state.

4. The land is under dispute.

5. The land is agricultural land specified under Article 43 of this law.

Article 28:

1. Transfer of the right to use land must be made according to the following procedures:

a. In rural areas, the paperwork must be completed at the offices of village people's committees.

b. In urban areas, the paperwork must be completed at the offices of district, precinct, district capital, or city people's committees subordinate to the provincial government.

c. Except for cases specified under point 1 of Article 29 of this law, beneficiaries of the right to use land must pay taxes levied on the transfer of the right to use land as specified by law. The taxes levied on the transfer of the right to use land are determined by law.

Article 29: The transfer of the right to use land to successors shall be executed as follows:

1. When a land user passes away, the right to use agricultural land under seasonal crop planting may be transferred to his/her family members as stipulated by government regulations.

2. The transfer of the right to use other categories of land to successors shall be submitted to the National Assembly Standing Committee by the Government for approval.

Article 30: Regarding allotment of land, revocation of land, transfer of the right to use land, and land leasing by state agencies, the Central Land Management Agency shall complete necessary procedures for submission to the Government. Land management agencies at provincial and district levels and cadres in charge of village land offices shall complete necessary procedures for submission to people's committees at the corresponding levels.

Article 31:

1. When their requests for changes in land use have been approved by authorized state agencies or when the land is used before registration has been completed, land users must complete registration at state agencies specified under point 2 of this article. Registration must be made at the very villages where the land is used.

2. Precinct and city people's committees under the management of the provincial, district capital, or town government and people's committees under the management of the district government shall prepare land registration books, oversee land use, and help users adjust changes in land use or register their unused land.

Article 32: Land registration books shall be uniformly prepared countrywide in accordance with the forms provided by the Central Land Management Agency. The contents of land registration books must be consistent with land maps and current land use status.

Article 33: Land statistics shall be compiled according to the following regulations:

1. Land statistics units are responsible for drawing land maps specified under point 2 of Article 31 of this law.
2. Land statistics shall be compiled on a yearly basis.
3. Land use management shall be made once every five years.
4. People's committees at all levels are duty-bound to compile land statistics in localities under their jurisdiction.
5. Land management agencies are duty-bound to submit periodic land statistics compilation reports.

Article 34: Land user's certificates shall be issued according to the following regulations:

1. Land user's certificates shall be published by the Central Land Management Agency.

2. Echelons authorized to allot land shall also have the power to issue land user's certificates. As for land allotment cases requiring the Government's approval, provincial or city people's committees directly under the management of the central government shall issue land user's certificates.

3. The issuance of land user's certificates shall be organized by land registration units as specified under point 2 of Article 31 of this law.

4. Offices in charge of issuing land user's certificates must have land maps, land registration books, and land management cadres.

5. In case a plot of land is used by more than one person, a separate land user's certificate shall be issued to each person.

Article 35:

1. The government handles land inspection throughout the country. Echelons of people's committees handle land inspection in their localities. Land management agencies at the central and local levels are accountable respectively to the government and echelons of people's committees on land inspection work.

2. Land inspection work consists of the following tasks:

a. Inspect state management on land conducted by echelons and sectors concerned.

b. Inspect the enforcement of the law on land by land users.

3. Land inspectors shall carry out their duties in accordance with the law and regulations on land inspection. They must show their inspection cards while on duty.

4. Land inspection agencies and land inspectors on duty have the following power:

a. Request organizations and individuals concerned to supply essential documents required by the inspection work.

b. Order a temporary suspension use of any plots of land that violate the law and file a report to authorized state agencies for further decisions and punishments.

c. Punishments to violations of the law on land can be made in the forms of warning, imposing fines, or reporting to authorized state agencies for further actions.

d. Make proposal to authorized state agencies to commend and award prizes to organizations and individuals who score remarkable achievements in managing and utilizing land.

Article 36:

1. The court shall settle conflicts on rights to use land of which the land users can produce their legal documents, conflicts on land assessment, and conflicts on land utilization.

2. The people's committees shall settle conflicts on rights to use land of which the land users cannot produce their legal documents. The following regulations will be applied to this category:

a. People's committees of districts, wards, and cities of provinces shall settle conflicts between individuals, between individuals and organizations, and between organizations if these organizations are under their jurisdiction.

b. People's committees of provinces and municipalities directly subordinate to the central government shall settle conflicts between organizations and individuals, and between organizations if these organizations are under their jurisdiction or under the state jurisdiction.

c. Those who do not satisfy with settlement made by the people's committees can appeal their cases to the higher echelon of authorized state agency. Decisions made by the higher echelon are valid and applicable.

3. The state encourages settlement of land conflicts among the people. The Vietnam Fatherland Front and its member organizations, mass and social organizations, economic agencies, and citizens are dutybound to compromise the settlement of land conflicts.

Article 37: Conflicts on the rights to use land in areas within the boundary of administrative units shall be settled by people's committees of those units. When consensus is not achieved, item 8 of Article 84 and item 10 of Article 112 of the SRV Constitution may be applied to settle these conflicts.

Article 38: Land management agencies at the central level and in localities are duty-bound to help the government and echelons of people's committees to settle land conflicts.

Article 39: Land management agencies are established and operated in accordance with the administrative system from the central to grass-roots levels. Land management agencies are attached to the administrative agencies of the same level. Land cadres of villages are affiliated to people's committees of villages.

Part Three

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[Text]Chapter III: The System Governing the Use of Various Kinds of Land

Article 40: Agricultural land is land used mainly for cultivation and animal husbandry including raising and planting of maritime products or for agricultural experiment and research.

Article 41: Forest land is land used mainly for forestry production including areas of natural forests, planted forests, zoning and preserving forests, and areas for forestry research and experiments.

Article 42: The area of agricultural land allotted to each household for long-term use will not be more than two to three hectares and must be defined by the government in accordance with conditions in each locality. Areas of fallow land, bare hills, and land reclaimed from the sea to be allotted to households for exploitation and use in agricultural, forestry, and fishery production will be defined by the government.

Article 43: People's Councils of provinces and municipalities directly subordinate to the central government shall, on the basis of establishing a land bank [quix dqaats dqai] in localities to serve local requirements and conditions, determine a reserved land area for this purpose in each village. This land area should not exceed five percent of the agricultural land in the village concerned and must be used for public projects. The government shall define rights to use the land area in this category.

Article 44: Use of land for gardening is defined as follows:

1. The state shall formulate policies to encourage and protect the interests of all organizations and individuals engaging in intensive cultivation, exploiting land for gardening, and using fallow land and bare hills for cultivation in accordance with planning.

2. Using rice-planting areas for gardening should be carried out in conformity with planning and approval must be sought from People's Councils of districts, wards, and cities.

Article 45: Use of local water surfaces to raise and plant maritime products is defined as follows:

1. Ponds, lakes, and pools should be allotted not only to individual households, but to various households and economic units to raise and plant maritime products.

2. Use of water reservoirs situated in areas belonging to several provinces for the purpose of raising, planting, and developing maritime products shall be defined by the government.

3. Granting permission to use inland water bodies for the aforementioned purpose must be conducted in conformity with the technical regulations set by the agencies concerned.

Article 46: Use of land in coastal areas to produce maritime and forestry products must comply with the following regulations:

1. The areas are allotted in accordance with planning which has been approved by the authorized state agencies.

2. Use of these land areas does not affect the building up of alluvial soil [dqaats booif tuj] in the coastal areas.

3. Use of these land areas does not affect the ecology and environment.

4. Use of these land areas does not cause an obstacle to the protection of national security and sea transportation.

Article 47: River shore land belonging to villages must be managed by the people's committees of those localities. These village people's committees must report their land areas to the district people's committees for formulating plans to use them. If there are conflicts in the use of this land, village people's committees must report the issue to the authorized state agencies for settlement in accordance with Article 37 of this law.

Article 48: New alluvial land in the coastal areas shall be uniformly managed and controlled by the state. Strict prohibition is imposed on the arbitrary use of this land.

Article 49: People's committees of provinces and municipalities directly subordinate to the central government shall, on the basis of the state policy on religious groups and the availability of land in localities, determine the allotment of land area for Buddhist pagodas, churches, and other religious establishments.

Section 2 [section number as heard]: Land To Meet Residential Needs in Rural Areas

Article 50: Land to meet residential needs in rural areas shall be used chiefly to build houses or facilities in support of rural activities. Land to meet residential needs of rural families shall be used to build houses or facilities in support of those families' daily activities.

Article 51: The use of land to meet residential needs in rural areas must meet planning requirements and be convenient for people's daily lives as well as for the maintaining of social order. It is necessary to make full use of those residential areas already inhabited by the people and limit the expansion of residential areas into agricultural land. Based on the availability of land in each locality, provincial or city people's committees directly subordinate to the central government shall determine the hectarage to be allotted to households to build houses in accordance with government regulations.

Section 3: Urban Land

Article 52: Urban land consists of those plots of land within city, district capital, or town limits. It is divided into land used to build houses, seats of organs in charge of administering nonproductive activities, production facilities, business establishments, and infrastructures to serve the public interest or national defense and national security purposes, as well as other categories of land.

Article 53: Infrastructure must be built before urban land can be utilized. Infrastructure building funds are to be drawn from revenues generated by the allotment of land to organizations and individuals. Urban land management and utilization must meet city planning requirements, approved land use projects, and other related state regulations. Urban land allotment orders and procedures shall be determined by the government.

Article 54: In those localities which formulate plans to allot land to the people to build houses, provincial or city people's committees directly subordinate to the central government shall decide on the hectarage to be allotted to each household in accordance with government regulations.

Article 55: The management of land used to build such public utility projects as roads, bridges, sidewalks, water supply or water drainage systems, rivers, lakes, ponds, dams, dikes, markets, public parks, squares, stadiums, airports, ports, and other facilities shall fall under the responsibility of state organizations. Special cases shall be decided by the government.

The building of projects on public land must meet set goals and must be approved by authoritative agencies.

Article 56: The allotment of land to organizations or individuals to build production, business, scientific-technical, cultural, social, or support service facilities must be consistent with approved city planning projects.

Article 57: The use of land to serve national defense and national security purposes must comply with the planning requirements set by the Ministry of National Defense or Ministry of Interior and approved by the government. This is aimed at protecting state secrets and complying with regulations governing the management and utilization of land in certain localities. The government shall make decisions on special cases or on emergencies arising from wartime situations. Land use must be guaranteed to not endanger the safety of people living in adjacent areas.

Article 58:

a. The use of urban land to serve agriculture and forestry must comply with regulations governing environmental protection and preservation of beautiful landscapes in urban areas as well as with approved city planning projects.

b. The zoning of land to build national parks or set up nature and famous landscape conservation sites shall be based on urban development needs and subjected to the management of special organizations as specified under government regulations.

c. The use of urban development land outside city or district capital limits according to approved plans shall be determined by the government.

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[Text]

Section 4: Multipurpose Land

Article 59: Multipurpose land is land used for those purposes other than agricultural and forestry production and house construction such as land reserved for building industrial, scientific and technical projects, communication and water conservancy systems, and

cultural, social, and service projects; land reserved for national defense and security use; land reserved for exploration and exploitation of mineral ores; land used as salt marshes; land used in making pottery, bricks and tiles, and other building materials; land with historic and cultural ruins and scenic spots; land used as cemeteries; land with water bodies used for those purposes other than agriculture.

Article 60: The use of land for building industrial, scientific, technical, and service projects shall comply with those stipulations governing measures to deal with waste matters in such a way as to avoid causing pollution and affecting the life and production of the people in nearby areas.

Article 61: The use of land for building communication, water conservancy, and hydroelectric power systems shall comply with the following stipulations:

1. Correctly following construction designs, economizing on the use of land, and refraining from causing any damage to the use of land in nearby areas.
2. Correctly complying with stipulations on the use of land within the safe corridors under the systems of these projects.
3. Land can also be further used for aquacultural activities or for other purposes but this must not hinder efforts to achieve the main purpose of this multipurpose land.
4. Local village, ward, and town people's committees are responsible for joining with responsible project management organs in protecting land within the safe corridors in accordance with requirements regarding communication, water conservancy, dikes, and hydroelectric power.

Article 62:

1. Land used for national defense and security purposes under the plan for land use already approved by the government consists of:
 - a. Land used as troop bivouac.
 - b. Land used as air force and naval bases, and other military bases.
 - c. Land used for national defense projects, combat terrain-related projects, and other special projects.
 - d. Land used as military air terminals or seaports.
 - e. Land under various industrial, scientific, and technical projects designed to serve national defense purposes; and land jointly used for national defense and economic construction purposes.
 - f. Land used for storage purposes
 - g. Land used as firing ranges, drilling grounds, and weapons testing ranges.
 - h. Land under the national defense ministry temporarily placed under the disposal of various sectors and localities.
 - i. Land used for construction of prisons.

2. The transfer of national defense and security-related land for use in other purposes shall be stipulated by the government.

3. Those units using national defense and security-related land shall comply with stipulations on land management fixed by the localities concerned on the basis of the stipulations of this law and of the detailed guidance provided by the government.

The management over the use of national defense and security-related land shall be determined by the government.

Article 63: The use of land for the purpose of prospecting and exploiting mineral ores shall comply with the following stipulations:

1. Obtaining a permit from an authorized state organ.
2. Adopting waste treatment measures to avoid causing damage to nearby land users.
3. After use, relevant land users shall return their land which must be in a good state as stipulated in agreements on land delivery.

Article 64: The use of land for salt production shall comply with the following stipulations:

1. Those potentially productive salt marshes of high quality shall be protected and be used priority for salt production.
2. The state will encourage the use of those potential salt marshes land areas in order to meet the public's needs.

Article 65: The use of land for making pottery, brick, and tiles shall comply with the following stipulations:

1. Obtaining a permit from an authorized state organ for excavating dirt to make pottery items, brick, and tiles.
2. Operating in such a way as not to cause any damage to production and life.
3. After use, land shall be improved so it can be used for suitable purposes.

Article 66: Land with historical and cultural ruins and scenic spots shall be strictly protected. In special cases where there is a need to use land with historical and cultural ruins and scenic spots for other purposes, users shall secure an approval from the minister of culture and information. If he disapproves, the case should be referred to the prime minister for decision.

Article 67: Cemetery land shall be planned concentratedly in areas far from population centers suitable for burial services and visits, and shall conform to sanitation and land economical measures.

Article 68: The use of territorial seas shall comply with the following stipulations:

1. The state shall only allow organizations and individuals to exploit territorial seas for certain periods of time without causing any harm to the maintenance of national security and natural resources and environment.

2. Users shall comply with stipulations of relevant land management organs.

Section 5: Land Still Unused

Article 69: Land still unused consists of those plots of land which are still not allotted for use on a long-term basis or which are already allotted for use on a long-term basis but are still not put to work even though the term for land use has expired. The Government shall direct localities in working out plans and projects to transfer those plots of land for agricultural and forestry purposes.

Article 70: The transfer of those plots of land which are still unused for agricultural and forestry purposes shall be carried out in the forms of leasing or bidding.

Chapter IV

Land Users' Rights and Duties

Article 71: Land users are entitled to the following rights:

1. Obtaining land user's certificates.
2. Enjoying the fruits of their labor and the results of investment made in the land allotted to them.
3. Transferring the right to use land to their successors as stipulated by law.
4. Receiving compensations as stipulated by law in case the land allotted to them is revoked under points 1, 2, or 3 of Article 25 of this law for allotment to other people.
5. Enjoying the benefits brought about by land protection or land improvement-related public projects.
6. Receiving state guidance and assistance for land improvement purposes.
7. Receiving compensations as stipulated by state policies in case the land allotted to them is revoked for national defense and security purposes or other national interests.
8. Receiving state protection if their legitimate right to use land is violated by other people.
9. Contributing their land to engage in production or business joint ventures suitable with the goals set at the time of land allotment and on the principle of voluntariness and mutual benefit.

Article 72: Land users have the following duties:

1. Using land to meet set goals and in keeping with set boundaries and other requirements set at the time of land allotment.

2. Adopting measures to protect land and improve its fertility.

3. Complying with environment protection regulations and refraining from causing any damage to the legitimate interest of other land users in nearby areas.

4. Paying taxes on land use.

5. Paying taxes on the transfer of the right to use land.

6. Paying land registration fees.

7. Paying cost of land use at the time of land allotment as required by law.

8. Paying compensation to land users whose land has been revoked for reallocation to them.

Chapter V: Regulations Governing the Management of the Land Used by Foreign Agencies, Foreign Nationals, International Organizations, and Vietnamese Organizations Having Business Joint Ventures With Foreign Countries.

Article 73: The prime minister shall decide on the granting of permission to lease land by foreign agencies, foreign nationals, and international organizations hereby called foreigners, or by Vietnamese organizations having business joint ventures with foreign countries. The government shall set the land use terms and land leasing prices.

Article 74:

1. Foreign nationals wishing to lease land shall have to complete the procedures set by Vietnamese law.
2. Land lease to foreign nationals must be in keeping with economic or technical development plans already approved by authorized agencies based on the law on foreign investment in Vietnam.

Article 75:

1. The government shall set forth the provisions allowing Vietnamese organizations and Vietnamese nationals now making legal use of the land to contribute a registered capital equivalent to the value of that land to participate in joint enterprises with foreign countries.
2. Vietnamese organizations and Vietnamese nationals now making legal use of the land but wishing to change its use to participate in business joint ventures with foreign countries may do so on the condition that they get the prime minister's approval.

Article 76: When it comes to land use, foreign nationals and Vietnamese organizations having business joint ventures with foreign countries must comply with the provisions of this law unless otherwise specified by agreements reached between the Socialist Republic of Vietnam and foreign countries.

Article 77: The length of time for which a piece of land is rented out to establish an embassy, a consular office, or other foreign representative offices shall not exceed 99 years.

Article 78: Foreigners found violating Vietnam's law on land shall face the same penalties as those that apply to Vietnamese citizens.

Chapter VI: Rewards and Penalties

Article 79:

1. Localities with good records in maintaining and expanding their areas under agricultural and forestry production by reclaiming wasteland, breaking virgin land, building dikes to reclaim land from the sea, covering fallow land and bare hills with greenery, improving the effective use of land, economizing the use of land in capital construction, and preserving, restoring, and improving soil conditions shall be commended and rewarded.

2. Organizations or individuals with good records as land users or with good records in land administration shall be commended and rewarded.

3. The government and the people's committees at various levels shall decide on whether to commend and reward localities, organizations, or individuals with good records in the administration and use of land as stipulated by this law.

Article 80: Whoever buys or sells land, encroaches onto other people's land, depletes land, or commits other acts violating the law on land shall be subject to one or more administrative penalties as follows:

1. A warning.
2. A cash penalty based on the cost of damage caused by violations.
3. The confiscation of all the money obtained from illegal transfer of the right to land use.

4. The revocation of the portion of land being illegally used.

Whoever repeats violations which have left serious consequences for which he has been made to face administrative penalties, shall be subject to criminal responsibility.

Article 81: Whoever abuses his position or powers or exceeds his powers in the transfer or revocation of land by permitting the misinterpretation of the purposes of land use at variance with the stipulations of the law, causing damage to land, a natural resource, out of a lack of a sense of responsibility, or abetting those violating the law on land shall be subject to the following penalties:

1. Cash penalty.
2. A warning.
3. Removal from position.
4. Compulsory dismissal from work.

Whoever repeats violations which have left serious consequences for which he has been disciplined, shall be subject to criminal responsibility.

Article 82: Whoever violates the law on land and causes damage to others shall, apart from being punished as stipulated in Articles 81 82 of this law, be made to pay compensation to the damaged party.

Article 83: The government shall fix the extent of cash penalty and damage compensation as well as the authority and procedures to impose penalties on those acts violating the law in connection with the administration and use of land.

Chapter VII: Enforcement Clause

Article 84: This law supersedes the 1988 law on land. All those previous stipulations at variance with this law shall hereby be rescinded.

Article 85: The government shall issue detailed stipulations for the enforcement of this law.

